Daily Report

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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

Peruvian Foreign Minister Addresses OAS *[San Jose Radio]* 1
Area Ministers Agree on Resolution on Panama *[Madrid EFE]* 2
Present Draft Resolution *[San Jose Radio]* 2
Comparison to Draft Resolution 3
OAS Approves Sending Delegation to Panama *[AFP]* 4

CARIBBEAN

Cuba

Commentary on What U.S. 'Truly Seeks' in Panama *[Havana Radio]* 5
OAS Commission To Negotiate With Panama *[Havana TV]* 5
Everything 'Normal' in Panamanian Capital *[Havana TV]* 5
U.S. Medicine Embargo Termed 'Criminal' *[Havana Radio]* 5
Foreign Minister Speaks at Nonaligned Meeting *[Havana Radio]* 6
Vietnam Cooperation Commission Meets in Havana *[Hanoi VNA]* 6
Friendship Association Signs Accord With Syria *[Havana TV]* 6
Roberto Veiga Receives Internationalists *[Havana TV]* 6
Commission Inspects Santiago's Defense Areas *[Havana Radio]* 7
Comparison to Castro Sancti Spiritus Speech 7
Correction to Panama To Present Report to OAS 9

Caribbean Affairs

St Lucia Opposition Leader Speaks at Conference *[CANA]* 9

Barbados

Sugar Producers Worried About Price Cut *[CANA]* 10

Dominica

Prime Minister Warns About Banana Sales *[CANA]* 10

Haiti

Explosion Reported on Champ de Mars; 9 Hurt *[Port-au-Prince Radio]* 10
'Robbery' Possibly Related *[Port-au-Prince Radio]* 11
More on Robbery Incident *[Port-au-Prince Radio]* 11
Human Rights Group Takes Up Peasant's Case *[Port-au-Prince Radio]* 11

Jamaica

Manley Probes Minister's Refurbishing Costs *[CANA]* 12
Nation, IMF Agree on Program Outline *[CANA]* 12

St Vincent and the Grenadines

Nation's General Election Results Announced *[CANA]* 12

MEXICO

Government Communique on Panamanian Situation *[UNOMASUNO 15 May]* 14
Opposition Holds Rally in Front of U.S. Embassy *[NOTIMEX]* 14
New Foreign Investment Law Published 16 May *[Mexico City TV]* 15
Economic Report Shows 1st Quarter Improvement *[Mexico City TV]* 15
Pemex Fleet Expanding Transportation Operations *[NOTIMEX]* 15

CENTRAL AMERICA

El Salvador

'Violent Solution' to Panama Crisis Opposed *[San Salvador Radio]* 16
FMLN Blames ARENA for Suspension of Evacuation *[Radio Venceremos]* 16

Guatemala

Cerezo Discusses Panama, Other Regional Issues *[LA HORA 16 May]* 16
Regional Summit Tentatively Scheduled *[LA HORA 12 May]* 17
Christian Democrats Condemn Violence in Panama *[PRENSA LIBRE 13 May]* 17
MLN Demands Cerezo's Immediate Resignation *[PRENSA LIBRE 14 May]* 18
Two DIC Appointments Made; Two Pending *[EL GRAFICO 13 May]* 18
Bomb Placed Outside Opposition-Occupied Building *[PRENSA LIBRE 13 May]* 18

Nicaragua

Ortega Thanks Swedes for Holding Conference *[BARRICADA 15 May]* 18
Opposition Meets in San Jose, Issues Statement *[Managua Radio]* 19
New Political Party Requests Legal Status *[Managua Radio]* 19
Contras Kill 7 Peasants in 5th Region *[Managua Radio]* 20
Cordoba Devalued; Price of Gas Increased *[Managua Radio]* 20

Panama

Noriega Comments on Current Situation 20
Discusses Election Resolution *[Madrid EFE]* 20
Rejects Demands for Removal *[Buenos Aires REUTER]* 21
Not To Leave Panama *[AFP]* 21
Reportage on Upcoming OAS Meeting, Reactions 21
Ritter on U.S. Intervention *[Panama City Radio]* 21
Stance for Meeting Outlined *[Panama City Radio]* 21
'Choices' Available Noted *[MATUTINO 17 May]* 22
CPDH Requests 'Intervention' *[San Jose Radio]* 22
Communist Youths Near Office *[Madrid EFE]* 23
Reportage on Work Stoppage Reaction 23
'Normal' Situation Reported *[Madrid EFE]* 23
City 'Semiparalyzed' by Strike *[AFP]* 23
Endara Calls Strike 'Success' *[Madrid EFE]* 24
Endara on Strike, Opposition *[Madrid EFE]* 25
More on Strike *[AFP]* 25
Activities Reportedly Normal *[Panama City Radio]* 26
Described As 'Total Failure' *[Panama City TV]* 27
Further Reportage on Post-Election Reaction 27
Dignity Brigade Vows To Defend *[LA ESTRELLA DE PANAMA 17 May]* 27
PALA Proposes Dialogue, Junta *[Panama City TV]* 28
PRD Commission To Reorganize *[CRITICA 17 May]* 28
Reaction to U.S. Measures 29
CRITICA on Role of U.S. *[16 May]* 30
Editorial Criticizes Venezuela, OAS Meeting *[LA ESTRELLA DE PANAMA 16 May]* 32

SOUTH AMERICA

Argentina

Menem Gives Extensive News Conference *[TELAM]* 33
Comments on Government Plans *[DYN]* 34
Arosa Gives Navy Day Message, Praises Elections *[TELAM]* 35
Armed Forces Auditor General Appointed *[TELAM]* 35

Bolivia

Country's Reaction to Panamanian Situation 35
Foreign Minister View *[La Paz Radio]* 35
U.S. Embassy Demonstration *[La Paz Radio]* 35
Minister Explains Use of U.S. Military Planes *[La Paz Radio]* 36
MNR, ADN Candidates Leading Vote Count *[DYN]* 36

Chile

Aylwin Caceres Discusses Constitutional Reform *[Santiago Radio]* 36
United Left Party Issues Communique in Santiago *[Santiago Radio]* 37
Proposal To Safeguard Antarctica Accepted *[Santiago Radio]* 38
Industry and Commerce Director Ebner Resigns *[Santiago TV]* 38
Replacement Named *[Santiago Radio]* 38
National Vanguard Party President Elected *[Santiago Radio]* 38

Colombia

President, Foreign Minister on Panama *[Bogota Radio]* 38
Editorial Calls for Stronger Stand on Panama *[EL TIEMPO 12 May]* 39
Five Killed, Six Wounded in Guerrilla Ambushes *[EL TIEMPO 11 May]* 39

Ecuador

Government To Continue Foreign Debt Payments *[AFP]* 39

Peru

Garcia Invites President-Elect Menem To Visit *[Lima TV]* 40
New Economy Minister Holds News Conference *[Lima TV]* 40
Shining Path Guerrillas Kill 4 in Ayacucho *[Madrid EFE]* 41
Narcoterrorists Slay 9 Policemen in Jungle Region *[Madrid EFE]* 42
Further on Policemen's Deaths *[TELAM]* 42

Uruguay

Sanguinetti Explains Position Regarding Panama *[Montevideo Radio]* 42
Papers Say Menem Wants Integration Strengthened *[Montevideo Radio]* 43
Economic Indicators Report Increase in Inflation *[EL DIA 6 May]* 43

Venezuela

Perez on Postponing Nonaligned Movement Request *[Caracas TV]* 43
Strike Reportedly Paralyzes Country *[AFP]* 43

Peruvian Foreign Minister Addresses OAS

PA1805013289 San Jose Radio Impacto in Spanish 2214 GMT 17 May 89

[Speech by Peruvian Foreign Minister Guillermo Larco Cox at a special meeting of OAS foreign ministers at OAS headquarters in Washington D.C. —live]

[Text] Mr President, I greet you and through you extend my greeting to the other foreign ministers. We have gathered here to discuss a national situation that characterizes the complexity of the new threats the hemisphere must face today in order to build the region's future. The current historical and political situation reflects a substantial change from the situation 40 years ago when the OAS, and with it, the Inter-American system's principles, were formed. We have gathered because of an urgent matter, but the OAS and our hemisphere's future are awaiting the understanding we may reach today in order to defend the survival of the democratic system.

Peru's traditional adherence to the principles of nonintervention, respect for treaties, and the implementation of democracy have been tested in its historic struggle for liberty, a struggle common to the rest of Latin America, which cannot stop until it has conquered the perverse opposition by democratic dictatorships that have permeated our history. Therefore, I must reiterate Peru's Latin Americanist rejection of any coercion. However, at the same time, I must point out that the hemisphere needs to avoid ambivalent answers and automatic reactions.

We must denounce any effort to unilaterally intervene, and we must express the extent to which Latin America rejects a democratic crisis in a regional country. We will do so without weakness, haste, or emotion, but with the certainty and strength derived from the region's new responsibility for the collective, diplomatic defense of threatened democracies. We are facing a unique moment in our history. This is a time when we all agree that democracy should prevail. Latin Americans and North Americans share the responsibility for continental, democratic solidarity, a cause which should be led by Latin America throughout the hemisphere. To achieve this we must realistically overcome our traditional mistakes and proceed to pinpoint and confront Latin American and North American priorities. Otherwise, the region will risk isolation and an abnormal response to the large-scale transformation of international structures. Amid this new atmosphere, our coexistence with a superpower with global interests will be determined by a fresh perspective.

It is under these circumstances that Latin America must assume a leadership role. We should exercise this leadership role by strictly adhering to intergovernmental cooperation as the most adequate means of confronting regional problems that cannot be solved unilaterally. I believe that we can meet this obligation because of the democratic tendency that prevails throughout the hemisphere. Latin America must make a coordinated diplomatic effort in favor of democracy. It is a matter of survival; there must be a multilateral campaign to defend democracy. I view this option of multilaterally defending democracy as an unavoidable complement to the principle of nonintervention; a violation of these principles would be unwise. We all agree that the case we have gathered to discuss requires Latin American intergovernmental action, and this seems to have been understood—for the first time—by the United States.

It is true that under the current circumstances, both Latin American and U.S. interests are at stake. We all have pledged to defend democracy in this country [Panama]. This is an internal issue with regional and extraregional implications, which we must evaluate and confront, bearing in mind the international implications. To this end, I believe that we can evaluate the U.S. message which, for the time being, seems to hint that the U.S. Administration is taking a cautious approach. I have the impression that the United States is seeking a commitment to democratic change under multilateral supervision. This process demands Latin American participation, which will have crucial, urgent, and long-term effects on the inter-American system's reorganization. This is true because the system's structure is the result of a broad, implicit pledge made in the wake of the cold war and within the context of the current [word indistinct] East-West plan.

As a last resort, a deal was made whereby Latin America cooperated in defending strategic U.S. interests in exchange for the United States abstaining from unilateral interventions. Only the Latin Americans, Sir, have fulfilled their part of this historic pledge. Consequently, I believe it is necessary to make a new pledge to legitimize Latin America's regional leadership with support from the hemispheric power, without bargaining and amid an atmosphere of mutual respect. In this context, the emergence of new principles such as democratic solidarity and political pluralism complement and strengthen our obligation to support the principle of nonintervention.

During the past 4 decades there has been a change in diplomatic language and a simultaneous discovery that we have an international responsibility that commits us to achieving full democracy in the region. On the other hand, there is a prudent reaction from the United States, which shows that it is beginning to differentiate between its security interests in this hemisphere and what would constitute emerging and shared principles. However, none of this guarantees the disappearance of imperialism.

The hemisphere's security is simultaneously impaired by an exorbitant foreign debt, a deep economic recession, drug trafficking, political violence, inequalities that undermine its social structure and political cohesiveness, and a brain drain. Under these circumstances, attempts

at Latin American cooperation have failed almost completely or have become irrelevant. The region is faced with growing and more complex challenges that require greater maturity so we can take joint action. At the same time, we are witnessing a lack of collective action.

A dangerous institutional vacuum has arisen regarding the adoption of joint actions, and it is imperative to fill this vacuum. Our guiding principle must be collective action.

Mr President, Panama's case requires intergovernmental action by Latin America through multilateral diplomatic procedures. I should say that the Panamanian opposition does not seem to be in a position to survive by itself. Unilateral economic sanctions have already been implemented, and their only result has been the bankruptcy of the economy and a deterioration of the Panamanian people's standard of living. This reprehensible action not only does not guarantee that the desired result will be obtained but may strengthen the current regime by giving it a way to justify itself.

An eventual military intervention would destroy hemispheric relations. Anyone who attempts one would definitely lose moral authority, which is an indispensable requirement for a legitimate solution. Coercive methods would not guarantee the democratic transfer of power, which is the Panamanian people's inalienable objective.

Our sense of democracy makes us indignant over the political crisis in Panama and firmly places us on the side of the Panamanian people in their struggle for self-determination and for a strict compliance with the current canal treaties. We are concerned that there is no way to predict how far Panama's democratic forces can resist the extraordinary means of survival of those who are acting with arrogance. The annulment of the elections is an admission of defeat, but, ironically, it is also a first indication of the possibility of a diplomatic solution to the conflict. In this, the only framework would be national sovereignty, which is an expression of the people's will.

These concepts have been written into a motion with a firm hand, without hesitation, without vaccilation, and without haste. We believe that our proposal, which had the honor of being endorsed by nine other countries—Colombia, Jamaica, Ecuador, Bolivia, Costa Rica, the Dominican Republic, Uruguay, Venezuela, and Brazil—embodies these criteria. We feel that this way, we can achieve the fundamental purpose, which is achieving democracy in Panama through dialogue. Thank you very much.

Area Ministers Agree on Resolution on Panama

PA1705201789 Madrid EFE in Spanish 1948 GMT 17 May 89

[Text] Washington, 17 May (EFE)—Latin American foreign ministers have reached an agreement regarding the presentation of a single resolution at the OAS meeting to be held this afternoon to discuss the Panamanian situation.

Peruvian Foreign Minister Guillermo Larco said: The resolution basically says that a "high-level commission of three foreign ministers must be sent to Panama to find a formula to solve the Panamanian problem, within a framework of respect for Panama's national sovereignty."

Such a formula "would include new elections, although new elements such as the formation of a constituent assembly directly elected by the people, which would govern during the transition period, could also be considered," Larco added.

Although the preparatory meeting held at the Colombian Embassy in Washington did not have the participation of representatives from El Salvador, which is the country that had proposed a harsher condemnation of the Panamanian regime, Colombian Foreign Minister Julio Londono said he trusts there will be a consensus.

Larco said the foreign ministers and representatives attending the meeting studied the text of the draft resolution, which was considered the most moderate of the four draft resolutions presented, and "after introducing some changes to make the document acceptable to all the participants, an agreement was reached."

The commission [to be sent to Panama] will have a "maximum of 15 days to inform the OAS of its efforts," and if it does not succeed the OAS foreign ministers would meet again to take stronger measures, Larco said.

The Peruvian foreign minister added: "We are requesting feasible things. We cannot interfere in the domestic affairs of other states. War is the failure of diplomacy, and we do not want to fail."

The first Peruvian draft resolution entrusted OAS Secretary General Joao Clemente Baena Suarez with the mission that has now been given to three foreign ministers.

Present Draft Resolution

PA1805001489 San Jose Radio Impacto in Spanish 2225 GMT 17 May 89

["Text" of draft resolution by the foreign ministers of Bolivia, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Jamaica, Peru, Uruguay, and Venezuela presented at a special meeting of OAS foreign ministers at OAS Headquarters in Washington, D.C.; read by Dominican Foreign Minister Joaquin Ricardo Garcia—live]

[Text] Draft resolution:

The 25th consultation meeting of OAS foreign ministers hereby reaffirms that the Americas' overall sense of solidarity and their good-neighbor policy can only guide the continent to consolidate, within a framework of democratic institutions, a system of individual freedom and social justice based on respect for people's basic rights.

We reaffirm that no state or group of states has the right to interfere, directly or indirectly—regardless of the reason—in the domestic or foreign affairs of another state.

Whereas:

The serious events that have been taking place within the context of Panama's crisis and election process could unleash an escalation of violence, which would jeopardize people's lives;

These events have curtailed the Panamanian people's right to freely elect their legitimate authorities;

The indignant abuse of opposition candidates and of Panamanian citizens violates human, civil, and political rights;

The crisis, which is due to both domestic and extraneous causes, is becoming increasingly intense and could seriously threaten international peace and security;

The American states' solidarity and exalted goals require these states to become politically organized, basing themselves on the effective exercise of representative democracy;

All states have the right to elect their political, economic, and social system and to organize themselves as they see fit, without foreign intervention of any kind;

The OAS must offer its cooperation to promote the measures necessary for the effective and prompt solution of the Panamanian crisis based on the rules of international coexistence;

The main goal of the OAS is to promote and consolidate representative democracy, respecting the principle of nonintervention, but this goal is being seriously affected by the current political situation in Panama; and

All the Latin American governments are fundamentally committed to the validity of and compliance with the 1977 Panama Canal treaties, and this commitment has been received universal approval;

[The OAS foreign ministers] resolve:

1. To appoint the foreign ministers of [3-second break in reception] so that they, with the assistance of the OAS secretary general, will carry out the task of urgently promoting formulas toward a national agreement that would ensure a transfer of power by democratic means and within the shortest amount of time, fully respecting the Panamanian people's sovereign will.

2. To urge the Panamanian Government to provide its full cooperation to ensure compliance with this resolution.

3. To urge Panamanian authorities and all political forces in Panama to abstain from adopting any measure or taking any course of action that could aggravate the crisis.

4. To urge all states to cooperate in ensuring compliance with this resolution.

5. To request the delegation of foreign ministers to present, within 15 days, a report on the fulfillment of their mission. This will help determine what other measures need to be taken.

6. To maintain open consultation meetings among the OAS foreign ministers as long as the current situation exists.

The draft resolution has been presented by the delegations of Bolivia, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Jamaica, Peru, Uruguay, and Venezuela.

[Buenos Aires REUTER in Spanish at 0017 GMT on 18 May carries the text of the draft resolution proposed by Peru at the special session of OAS foreign ministers at OAS headquarters in Washington, D.C. The REUTER version has been compared to the San Jose Radio Impacto version and found to be identical with the following exception:

last paragraph, only sentence reads: The draft resolution was supported by Argentina, Bolivia, Brazil, Colombia, Costa Rica, Jamaica, the Dominican Republic, Uruguay, and Venezuela. (supplying variant wording, adding Argentina and eliminating Ecuador and Peru.)]

Comparison to Draft Resolution

PA1805041689

Paris AFP in Spanish at 0317 GMT on 18 May broadcasts the text of the draft resolution proposed by Peru at the special session of OAS foreign ministers at OAS headquarters in Washington, D.C. The AFP version has been compared to the San Jose Radio Impacto version and found to be identical with the following exceptions:

paragraph 13, first sentence make read: ..."1. To appoint the foreign ministers of Ecuador, Trinidad and Tobago, and Guatemala so that they...(providing fill from 3-second break in transmission)

from paragraph 18, only sentence make read: ..."6. To urge all states to abstain from any action violating the principle of nonintervention in other states' domestic affairs. [new paragraph] "7. To maintain open...(supplying additional paragraph; changing number of final paragraph of resolution)

OAS Approves Sending Delegation to Panama

PA1805021289 Paris AFP in Spanish 0129 GMT 18 May 89

[Text] Washington, 17 May (AFP)—A meeting of the OAS foreign ministers today approved the urgent sending of a delegation of three foreign ministers to Panama to try to mediate between the government and the opposition.

A draft resolution presented by 10 Latin American countries, proposing the delegation's visit to Panama, was approved tonight with 20 votes in favor, 2 against (Panama and Nicaragua), and 7 abstentions.

The delegation will have to report the results of their mediation efforts before the OAS consultative meeting, which will remain open with this final goal in mind. The delegation has a 15-day deadline by which to present its report.

The original draft resolution, which made no direct reference to General Manuel Antonio Noriega [commander in chief of the Panama Defense Forces], was modified during a closed-door session to state:

"The serious events and Gen Manuel Noriega's abuses during Panama's crisis and election process could unleash an escalation of violence, which would jeopardize people's lives." According to diplomatic sources, the direct reference to Noriega was included to satisfy a demand made by the United States.

Cuba

Commentary on What U.S. 'Truly Seeks' in Panama

FL1705184689 Havana Radio Rebelde Network in Spanish 1700 GMT 17 May 89

[Station commentary]

[Text] The card the United States is playing in Panama is not the departure of General Noriega, or at least, it is not the only one. What the United States truly seeks is the elimination of the Panamanian nationalist movement, the liquidation of the current Defense Forces commanders, the installation in the country of a government that is docile to U.S. interests, and finally—as a strategic goal—the annulment of the Torrijos-Carter treaties. This plan is very clear and involves the Panamanian political opposition, business sectors, and the church as its most visible leaders.

A careful examination of the months prior to the presidential elections in Panama can prove this. George Bush made statements urging the Defense Forces to overthrow Noriega. The U.S. President also called the elections a fraud before they were even held. Washington gave the opposition millions of dollars for the electoral campaign.

The U.S. Embassy in Panama has orchestrated destabilization movements. Campaigns, provocations, and serious economic attacks are being carried out. Political, religious, and other figures are under shameful protection. The Panamanian intelligence has dismantled clandestine radio and television networks. As if this were not enough, there have been U.S. citizens, such as Frederick Muse, who have revealed there was a prefabricated plan to cause panic and confusion after the elections and call for an uprising using fraud as an excuse.

The surprising thing is that the United States has conducted a dirty interference with absolute self-confidence, openly, and shamelessly. This is the same government that is now going to ask the OAS for a guarantee to enable it to be free to literally crush a nation in the continent.

If the OAS remains silent about these policies of interference and threats of military intervention, it will have approved the law of the jungle in international relations. Moreover, if the OAS remains silent on these events, as an observer said, it will break the only bridge linking it to its future as a regional organization.

OAS Commission To Negotiate With Panama

FL1805015889 Havana Television Service in Spanish 0000 GMT 18 May 89

[Text] Today, the OAS named a commission to negotiate for the establishment of a new government in Panama and to solve the crisis in that country. The group will be integrated by the foreign ministers of Bolivia, Costa Rica, and Uruguay.

However, the foreign ministers' meeting held in Washington at the request of Venezuela, and with the backing of the United States, was not able to issue an expressed condemnation to General Manuel Antonio Noriega, chief of the Panama Defense Force, nor judge the 7 May elections because these matters are considered internal affairs of Panamanian sovereignty. The decision was made after heated debates behind closed doors.

Peruvian Foreign Minister Guillermo Larco said that the commission will have a 15-day period for suggestions and that if the commission failed, firmer measures would be taken.

Everything 'Normal' in Panamanian Capital

FL1805022889 Havana Television Service in Spanish 0000 GMT 18 May 89

[Text] From Panama, our special correspondent Nelson Notario Castro.

[Begin Notario recording] We are reporting via satellite from Panama. While the OAS was having an important battle this Wednesday [17 May], the Panamanian capital awoke to a peaceful day with the transportation sector working as usual and businesses open. Many were asking themselves: Where is the announced strike? The Civic Democratic Opposition Alliance [ADOC] had called for a general strike this Wednesday, but the business sectors did not fully favor this because of the millions they lost last year when they went on a strike that was organized by the Civic Crusade.

During today's early hours, everything was normal in Panama with the banking area working as usual. Various Panamanian workers' unions called for the nationalization of enterprises that went along with the strike while the government issued a decree signed by President Manuel Solis Palma which guaranteed basic services in case a general strike did take place.

According to the press here, the opposition wanted international publicity of the strike to try and isolate Panama at the OAS meeting.

Excuse me, Sir, where is the strike? [addressing unidentified man on the street]

[Unidentified man] Well, the strike only exists in the minds of the hot heads, the ADOC, and the U.S. Embassy. That is where the strike is. The Panamanian people reject the strike because of the experience with the last strike. [end recording]

U.S. Medicine Embargo Termed 'Criminal'

FL1705155889 Havana Radio Reloj Network in Spanish 1418 GMT 17 May 89

[Text] (Ana Ludkin de Lechuga), Cuban representative to the WHO, has said that the embargo on medicine for political reasons is one of the most censurable positions from a humanitarian point of view.

Speaking at the WHO meeting in Geneva, the official said that Cuba joins such countries as Libya, Panama, and Nicaragua as victims of these measures. For the past 30 years, the United States has blocked the entrance of medical products to our country, she added. She said that this is one of the most censurable and criminal policies from a humanitarian point of view because it is directed against the saving of human lives.

The Cuban representative asked that Cuba be included as a coauthor of the resolution approved by concensus that condemns this practice.

Foreign Minister Speaks at Nonaligned Meeting
FL1705143289 Havana Radio Reloj Network in Spanish 1402 GMT 17 May 89

[Text] Cuba today stressed in Harare, Zimbabwe the growing interest of Latin America in the movement of nonaligned countries and the ever-increasing integration of Latin America for the purpose of solving area problems.

Cuban Foreign Minister Isidoro Malmierca spoke on behalf of Latin America at the ministerial meeting of the nonaligned countries. He said that area nations are now trying to reach an agreement through political and economic integration on the problems of the continent. Despite this, said Malmierca, attempts to obstruct peace initiatives continue, thus ignoring the right of the peoples to their free determination. The occupation of territories, such as Puerto Rico, Guantanamo, the Malvinas, and the Panama Canal zone also continues, said Malmierca. The Cuban foreign minister added that the policies of intervention and oppression, condemned by the nonaligned countries, also continue to be applied.

Vietnam Cooperation Commission Meets in Havana
BK1605162389 Hanoi VNA in English 1455 GMT 16 May 89

[Text] Hanoi VNA May 16—The Vietnam-Cuba Intergovernmental Commission for Economic, Scientific and Technical Cooperation opened its 11th session in Havana yesterday. It was attended by Vo Nguyen Giap, member of the party CC [Central Committe], vice-chairman of the Council of Ministers, president of the Vietnamese section to the commission, and head of the Vietnamese delegation to the session. The Cuban delegation was led by Antonio Rodriguez Maurell, member of the Communist Party of Cuba Central Committee, vice-chairman of the Council of Ministers, president of the Cuban section to the commission.

In his opening speech, A. Maurell said the session was convened following a successful visit to Cuba by Vietnamese party General Secretary Nguyen Van Linh, which had led to the signing of a long-term program on economic, scientific and technical cooperation and development between the two countries. He said that Cuba would continue to strengthen its friendship and cooperation with Vietnam and that he believed the session would positively contribute to developing the relations between the two countries along the main line charted by their top leaders.

For his part, Vo Nguyen Giap reviewed the outcome of the economic, scientific and technical cooperation between the two countries over the years, and expressed sincere thanks to the Cuban party, government and people for their valuable assistance to the Vietnamese people's national construction. He laid emphasis on the possibilities and favourable conditions for further broadening the cooperation in new forms, and raising its effectiveness. The session is scheduled to close on May 19.

Friendship Association Signs Accord With Syria
FL1705190889 Havana Tele-Rebelde Network in Spanish 1700 GMT 17 May 89

[Text] Cuba and Syria have signed a friendship agreement at the headquarters of the ICAP [Cuban Institute of Friendship With Peoples] in Havana. The agreement was signed by Rashid Akhtarini and Levi Farah, presidents of the friendship associations of Syria and Cuba, respectively.

The document includes a joint program that will help increase the existing knowledge between our peoples on the most relevant events of their respective societies. It also includes the exchange of delegations and scholarships for Cuban and Syrian students so that relations between the peoples can be developed.

After the agreement was signed, Farah, president of the Cuban-Arab Friendship Association, and Akhtarini, president of the Syrian-Cuban Friendship Association, stressed the importance this event will have in continuing the process of cooperation and friendship between the two countries.

Roberto Veiga Receives Internationalists
FL1705122289 Havana Tele-Rebelde Network in Spanish 1100 GMT 17 May 89

[Text] A new contingent of Cuban internationalists arrived in the fatherland from Angola last night. The group was composed of close to 150 combatants and was welcomed by Roberto Veiga, member of the Communist Party of Cuba Central Committee Politburo, and Brigadier General Andres Carames, from the Interior Ministry, as well as other representatives of our Armed Forces and mass organizations. [In a similar report, Havana Radio Progreso Network in Spanish at 1100 GMT on 17 May identifies Veiga as "alternate member of the Politburo."] [Video shows soldiers stepping down from an aircraft and being greeted by Veiga and Carames.]

Commission Inspects Santiago's Defense Areas

FL1705204089 Havana Radio Reloj Network in Spanish 1932 GMT 17 May 89

[Text] Different parts of Santiago de Cuba are being visited by members of the National Commission of the Communist Party of Cuba Central Committee's Military Department. This commission is in charge of checking the province's defense tasks.

In Cabecera Municipality, the commission toured training areas and spoke with militia members, while in Songo la Maya they visited the defense areas of San Benito, La Prueba, and Los Reinaldos.

The inspection tour of Santiago de Cuba's defense tasks concludes next Friday [19 May]. The province's progress in the defense sector will be determined by visits to economic objectives, grass roots organizations, work centers, and other sectors. This visit will measure the advances made in perfecting and consolidating the defense capability of the Revolution's cradle. Santiago de Cuba is trying to be declared ready for defense, second stage by 1990.

Comparison to Castro Sancti Spiritus Speech

PA1705235389

Havana Cubavision Television in Spanish at 0130 GMT on 15 May broadcasts a recording of the speech by Fidel Castro delivered on 6 May at the Serafin Sanchez Square in Sancti Spiritus. The Havana Cubavision version has been compared to the Havana Television Cubana Network version, published in the 12 May Latin America DAILY REPORT, page 6, and found to be identical, allowing for the following fills and clarifications:

page 6, column two, third paragraph, sentence four make read: ...here in the square [cuadro]. More recently, I...(clearing queried word, supplying vernacular)

page 6, column two, penultimate paragraph, first sentence, make read: ...for Sancti Spiritus. A raindrop! [laughter as Castro looks up to the sky] Oh, well, that's not going to scare us away; none of us would mind taking another bath in summertime. I was saying that on that occasion I summarized what the Revolution had done in this province and the great changes that had taken place. Of course, I do not have to repeat all of that now. This time, many works have been inaugurated. The construction worker who spoke here mentioned a few of them. I will try to mention all of them, but in reality there have been hundreds of them, big and small. [new paragraph]

As a matter...(supplying passage missing due to break in reception)

page 6, column two, penultimate paragraph, last sentence, make read: ...the highway extension, or the white cement plant, a very important and strategic industry for the country, as we had never produced white cement. Our traditional, historical consumption has been approximately 25,000 tons, and this plant can produce 100,000 tons. Therefore, we can double or even triple.... [changes thought] It is not my fault if you cannot hear; those who installed the speakers and microphones are to blame. [laughter] [new paragraph] I was talking-...(supplying passage missing due to break in reception)

page 6, column two, last paragraph, sentence five, make read: ...I said that even if we doubled or tripled our consumption, we would still have cement left to export. However, if we...(rewording, deleting editorial note)

page 6, column two, last paragraph, sentence eleven, make read: ...they used it there. Was it covered with cement-like paint? One of the problems we have is paint, which is very expensive as it is made out of very costly raw materials. However, white cement is an excellent substitute for paint. Considering the great number of buildings under construction, it is really important for us to have this raw material, which can be used as cement as well as in many other uses. The country's first white cement factory will be here, complementing another very important and strategic industry, which is the Siboney factory. It has been...(supplying passage missing due to break in reception)

page 7, column one, second line, make read: ...cement, not only to Sancti Spiritus Province, but to to other provinces as well. You could also mention other works such as polyclinics that have already been inaugurated, the family doctor offices, roads, all sorts of social work, a physiotherapy gym...(supplying passage missing due to break in reception)

page 7, column two, first paragraph, sentence fourteen, make read: ...Everyone tries to limit his movements and remind him that he is not a 15-year old kid, but he says he has never had a headache or felt dizzy. I said to him: Manolo, we would rather have you alive and enjoying your retirement than dead there, building...(supplying passage missing due to break in reception)

page 7, column two, last paragraph, first sentence, make read: ...built at an accelerated pace. You can...(clearing queried word)

page 8, column one, first paragraph, first sentence, make read: ...with a small grinder they could produce approximately 40,000 more tons of cement. They even asked if it was possible to have a new production line, as they now produce white cement in a line that produced 150,000 tons of gray cement. One of the furnaces will produce 100,000 tons of white cement. Obviously, on the international market 100,000 tons of white cement are worth twice as much as 150,000 tons of...(supplying passage missing due to break in reception)

page 8, column one, first paragraph, sentence two, make read: ...we continue needing gray cement. We will continue looking at the possibilities of building a new

production line, which would allow us to produce almost 700,000 tons of gray cement in addition to the 100,000 tons of white cement. However, in the meantime we must determine how much time it will take, how soon they can get the grinder in order to produce 40,000 more tons, which means cement for...(supplying passage missing due to break in reception)

page 8, column one, first paragraph, sentence four, make read: ...they are projecting the construction of an asbestos-cement pipe factory. Those pipes are needed for irrigation, house building, and many other things. We see a very good opportunity to continue to promote that industry, which is a very solid and efficient one. The Siboney workers have truly proved their ability to handle that plant. [new paragraph]

We also visited...(supplying passage missing due to break in reception, indistinct words, rewording)

page 8, column one, second paragraph, penultimate sentence, make read: ...a factory for steel pipes, which are so...(clearing indistinct words, rewording)

page 8, column one, third paragraph, last sentence, make read: ...do not weigh very much, especially useful for walls that do not need to be supported by a very heavy structure. That new type of block is very important for the development of the construction sector. That is another industry that will soon start producing. In addition, we saw how workers are already paving the land to build slaughterhouses for cattle and pigs and how they are beginning to build a packing industry for packing products in Sancti Spiritus. We also saw another area where workers are paving the land—what was it for Valdes? [new paragraph]

No, no it...(supplying passage missing due to breaks in reception)

page 8, column one, fourth paragraph, from end of sentence four, make read: ...porcelain bathroom fixtures. We will also have a factory for mosaics; no, not mosaics, I mean glazed tiles. The components of that factory were acquired in Yugoslavia and will have strategic importance for the entire central region of the country. It is a whole industrial development program. The other factory we saw is a factory to make thin hollow bricks [rasilla]; in other words, bricks for flat roofs as they call them. There are a number of important industries that are being built, and some of them are almost completed. They show the...(supp'ying passage missing due to break in reception, rewording)

page 8, column one, last paragraph, sentence five, make read: ...with the council of directors, workers representatives, youths, and party members to discuss the development of the sugar plant. During the capitalist era, that sugar plant produced less than 100,000 tons. During those times, its highest production was less than 100,000 tons. It produced approximately 90,000 tons of sugar. In this sugar harvest, despite the heavy rains in March and April, the plant fulfilled and overfulfilled its quota. It produced 210,000 tons of sugar. That is an extremely high figure. [applause] A sugar production...(supplying passages missing due to breaks in reception, indistinct words, rewording)

page 8, column two, sixth line, make read: ...to now, the harvest indicators have risen...(clearing queried word)

page 8, column two, twenty-second line, make read: ...for future years? There I had the opportunity to discuss and even to agree on how to accelerate those plans. We are building La Felicidad Dam, and it will be completed during the next dry season. I told the leaders of the central hydroplant and the comrades of the provincial hydroplant that at the end of this year, and by the time La Felicidad Dam is completed, we must begin to build irrigation systems to irrigate another 200 caballerias. In that central province, they also had the idea of using some rivers and some dams that will be built in the north to irrigate another 400 caballerias. I proposed to them...(supplying passage missing due to break in reception)

page 8, column two, first paragraph, from end of sentence three, make read: ...need to do and of everything they need to do every year. Of course, they...(supplying passage missing due to break in reception)

page 8, column two, first paragraph, from penultimate sentence, make read: ...perhaps the largest. Sometimes it is difficult to handle large sugar mills. They, however, handle that enormous sugar mill with almost the same efficiency with which they handle a small sugar mill. That sugar mill is run by a very experienced collective of workers that has dozens of well-trained experts and enthusiastic and disciplined workers who trust in the future. One therefore feels encouraged to help them and cooperate with them. This is what we try to do all the time, everywhere. [new paragraph]

How do we reduce time? [sentence as heard] It is morally stimulating to see how our country has such a workers collective, who are able to work much more efficiently than workers during capitalist times. They can work with great productivity, because they have mechanized more than 70 percent of the sugarcane industry. Production during the capitalist times cannot stand comparison with what is produced at the Uruguay sugar mill now. Workers know they are going to have an excess of sugarcane. What will we do with that excess? Well, we can reduce the feed production or we can process that sugarcane through recently discovered scientific methods and produce food for animals or also [word indistinct] rich in protein or both things. We will be able to produce more sugar and more protein. They already have everything planned; they know what they will need to expand that sugar mill. As they say, with a strong effort [entre ceja y ceja] they have every intention of producing 300,000 tons in the future, depending on the availability of

sugarcane, which will appear, thanks to all those irrigation systems I told you about. In fact, if they dedicated the entire irrigation system to sugarcane, they could easily reach 300,000 tons. Of course, I do not think we can dedicate the entire system only to that. Part of it will be dedicated to the production of sugar, part of it to the production of food for cattle—so they can produce milk and meat—and for the pork and poultry industries, according to the studies we have conducted. To a larger and smaller extent, the feed that comes from sugarcane is of great importance for milk and meat production. [new paragraph]

I repeat, it is very encouraging and exciting to see the way in which they work there. I know that...(supplying passages missing due to breaks in reception, rewording)

page 9, column one, second paragraph, last sentence, make read: ...the Zaza Dam. We will begin to build that canal this very year. We will begin by building the section across from the (Iguanajo) Dam where we...(supplying passage missing due to break in reception)

page 9, column one, penultimate paragraph, penultimate sentence, make read: ...Magistral Canal, which will take those waters toward the east, to the rice plantations, and it will take it to Ciego de Avila, because, for the last few months, we have been building another great canal that will take part of the waters of [word indistinct] La Felicidad and El Zaza Dams to Ciego de Avila. We will irrigate tens of thousands of hectares. We will irrigate hectares planted with tubers, vegetables, fruits, and sugarcane with excellent water from Sancti Spiritus Province. That canal is already being built by a contingent...(supplying passage missing due to breaks in reception,rewording)

page 9, column one last paragraph, second sentence, make read: ...brigades already have their second position; in the north...(providing "second"; providing singular instead of plural for "position")

page 9, column two, sixteenth line, make read: ...to transform them. Rather than using the semi-engineer system in those rice fields—this is the only rice field using the semi-engineer system—we should use the complete engineer system [sistema ingeniero completo]. We are already doing this in Pinar del Rio, where there is a shortage of water, with two brigades. [new paragraph]

Brigades are already...(supplying passage missing due to break in reception)

page 11, column two, first paragraph, from end of first sentence, make read: ...possibilities in education. As I said, we are building polyclinics, stomatology clinics-...(clearing indistinct word, rewording)

page 12, column two, first paragraph, from end of sentence five, make read: ...what will happen. I have heard that if the other team wins, it will be even better; that if Las Villas wins, there will be a tie, which will be settled in tomorrow's game...(providing indistinct words, rewording)

Correction to Panama To Present Report to OAS

FL1705122589

The following correction pertains to the item headlined "Panama To Present Intervention Report to OAS," published in the 17 May Latin America DAILY REPORT, page 3:

page 3, column two, from fourth graf, last sentence to sixth graf, first sentence make read: ...be presented to the OAS. [new paragraph]

Ritter stated that he will not be on the defensive nor discuss matters within his country's exclusive purview at tomorrow's meeting of OAS foreign ministers requested by Venezuela to discuss the Panamanian situation. [new paragraph] The head of Panamanian...(rewording)

sixth graf, second sentence make read: ...a court of appeals or a court higher than those in Panama to rule on the country's internal affairs. (rewording)

Caribbean Affairs

St Lucia Opposition Leader Speaks at Conference

FL1705164489 Bridgetown CANA in English 1352 GMT 17 May 89

[Text] Castries, St Lucia, May 17, CANA-St Lucia's opposition leader Julian Hunte has challenged Caribbean states to develop for themselves a meaningful and relevant system or code of behavior for their parliaments. He spoke at the 8th Conference of Presiding Officers and Clerks of Parliament of the Caribbean, the Americas, and the Atlantic Region which opened here Tuesday.

"Our girth is not the size of that of the motherland or of our larger sister Commonwealth states such as India, Australia or Canada or even Jamaica or the Bahamas. That cloth must be cut to size, to fit the specific demand of each of us," Hunte said. "...The challenge of our small young island states is to build for ourselves, a system or code of behavior for parliaments to practice which has meaning and relevance," he added.

Hunte told delegates that they should begin to question whether the small number of elected representatives in the small states are sufficient to deal with legislation, public administration and public representation. "Why not let representatives represent and professional administrators execute policy," he suggested.

Hunte said that more and more, parliamentary sovereignty was being eroded in favour of cabinet autocracy. "It is parliament which has supreme authority—not a cabinet of ministers, some of whom might never have been tested and tried by the electorate," he asserted.

Hunte said that parliament should make special provisions to protect its presiding officers from accusations of partisanship, "not by throwing up a brick wall of privilage, but by altering the method of appointment of these officers."

"It is critical that no presiding officer should owe his tenure to the executive, otherwise he becomes potentially an arm of government, taking guidance if not overt instructions, from the prime minister," he added.

Barbados

Sugar Producers Worried About Price Cut

FL1705214089 Bridgetown CANA in English 2145 GMT 17 May 89

[Text] Bridgetown, Barbados, May 17, CANA—Barbadian sugar producers say a cut in prices in Europe would be a catastrophe for their business, THE NATION newspaper reported Wednesday.

The paper quoted services manager of the Barbados Sugar Industry Limited (BSIL), Noel Symmonds, as saying: "It would be a grave disadvantage to the industry, which already is in a rather precarious position."

European Community (EC) countries are considering cutting the price they pay for sugar from the African, Caribbean and Pacific (ACP) states by two percent.

Acknowledging the industry here earned an average of 70 million dollars (one BDS dollar - 50 U.S. cents) annually in foreign exchange, Symmonds said: "It isn't easy to work out an actual dollar loss because of the price fluctuation which creates such varied prices on what we are paid when our sugar lands on the overseas market, but from the country's point of view, a reduced price would lesson our foreign exchange earnings. "And as far as BSIL is concerned, and on a more domestic scale, the cost of production is already higher than the price we get paid, so with a smaller crop like this year's the cost of production (relative to profit) escalates."

Symmonds argued that because the industry had fixed overheads, such as plant upkeep and fertilisers, it was unable to make a major savings on production costs. He noted though that variables, like a smaller crop, could bring some saving in the area of reduced expenditure on reaping.

Dominica

Prime Minister Warns About Banana Sales

FL1705212189 Bridgetown CANA in English 1716 GMT 17 May 89

[Text] Roseau, Dominica, May 17, CANA—Prime Minister Eugenia Charles of Dominica is warning Britain that if Caribbean banana exporters lose their preferential treatment the British housewife could well end up paying more for the fruit.

Miss Charles, who left here for Europe to lobby for continued preferential access of Caribbean bananas to Britain, said other fruit exporters who want to dominate the British market would eventually raise their price only the West Indian producers were dislodged.

Miss Charles says that multi-national corporations which control "dollar bananas" would like to get the preferential treatment accorded the windward islands—Dominica, St Lucia, St Vincent, and Grenada.

If they were allowed to dominate the market, she said, Britain and the rest of the European community would be losers because they would begin to dictate the price they wanted for their bananas. The Dominican leader, who later expects to be joined by St Lucia's Prime Minister John Compton, will be visiting several European cities in an intense lobbying effort for continued protection on the U.K. market for the region's bananas.

Some fruit growers fear that the Caribbean will lose its lucrative supply contract with Britain and have to compete with suppliers from areas including Latin America when European community members lower their internal trade barriers by 1992.

Haiti

Explosion Reported on Champ de Mars; 9 Hurt

FL1705154289 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 17 May 89

[Excerpts] There was an explosion early last night on the Champ de Mars. At least nine people were hurt, and some of them are in serious condition. The explosion occurred not too far from the National Palace at approximately 2200, during a gathering for young people that was being held at the bandstand on the Champ de Mars as part of Flag Day [18 May] celebrations.

The participants in this activity—that is, the people who were at Occide Jeanty bandstand last night—scrambled to escape; those who weren't hurt, that is.

This happened despite the fact that there were Presidential Guard and police patrols posted all around the area. [passage omitted] There is also something that happened last night that we must point out.

The explosion took place some 10 minutes after a white Rocky jeep jam-packed with armed individuals passed at great speed along Lalue. It ran the red light at the Lalue Supermarket corner. The number two man of a Port-au-Prince political party happened to be at that intersection. He was coming from the direction of the Petit Four [area of Port-au-Prince], had a green light, and was turning onto Lalue. He was almost killed. And just a few minutes later, there was this explosion on the Champ de Mars.

'Robbery' Possibly Related

FL1705141589 Port-au-Prince Radio Nationale in Creole 1300 GMT 16 May 89

[Excerpts] [Studio announcer] We are going to hear from a mobile unit reporter who is going to tell us about something wrong in the Champs de Mars area. Come in mobile unit 12.

[Mobile unit] We can see a dead young man in a white Daihatsu vehicle, license plate number K-6760. According to the information we have collected, there were two men in the vehicle, which was stolen for a robbery.

After committing the robbery, they reportedly went to the Dominican consulate to see if they could get some documents legalized so as to flee to the Dominican Republic.

However, it seems the Anti-Gang Service was following what they were doing. They were very vigilant, and it seems that as the men left the consulate and were going along Rue Capois, the police chased them. It appears that the young men were speeding on the Rue Champ de Mars, very near the General Headquarters [not further identified], and they lost control of the car and hit an iron post and a wall.

It seems that one of them died instantly, and of course [words indistinct] and another was seriously wounded and has been taken to the hospital. [passage omitted] The accident just occurred at the corner of Rue Geffrard and Avenue de la Liberte, very near the General Headquarters.

[Studio] Can you tell us, Mobile 12, whether these two men are Haitian or Dominican?

[Mobile Unit] They are both Haitian. [passage omitted] We can't tell you what kind of people they are, but we do know for sure that they are both young men. [passage omitted]

More on Robbery Incident

FL1705143089 Port-au-Prince Radio Metropole in French 1600 GMT 16 May 89

[Excerpts] There was an incident in the vicinity of Marron Inconnu Square [in front of the National Palace] this morning. One man was killed and another seriously wounded near that square when the police opened fire on the occupants of a stolen vehicle between 0800 and 0900 today. The vehicle was a white Rocky [Daihatsu jeep], license plate number K-6760. [passage omitted] We were not able to get a close look at the occupants, because the police brutally dispersed curious spectators who rushed to the scene of the incident.

Police sources say the men were being chased by the police not only because the white Rocky had been reported to the police as stolen but also because the men had just attacked some money-changers. Several passports were found in the pocket of the man who was shot dead.

Human Rights Group Takes Up Peasant's Case

FL1705171989 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 16 May 89

[Excerpts] Peasants are still suffering greatly at the hands of section chiefs. A peasant who was forced to flee his home is asking for protection to be able to return home. Ducertain Armand, a peasant from Crochu Dalon in the commune of Thomazeau who fled because he was beaten by the section chief and the members of the Casec [Administrative Council for the Communal Section] in October of 1988, is asking for help so he can go home to attend a relative's funeral without encountering problems.

Ducertain is a member of the PDCH [Haitian Christian Democratic Party]. The section chief and the members of the Casec beat him, after accusing him of engaging in reforestation with a communist school in the communal section called Crochu. He wants to return home.

We have learned that a human rights organization has taken this matter in hand, and is going to take it to court. Let's listen to the peasant's statements.

[Begin Armand recording] [Passage omitted] All my property is in the hands of the section chief and the members of the Caser [Administrative Council for the Rural Section, former name of what is now called Administrative Council for the Communal Section], as well as all my land ownership documents and all my children's birth certificates, plus $300. [passage omitted] I want to inform national public opinion that I am returning home to Dalon this very day. I am doing this in good faith, and I am asking for help from the force of public opinion. [passage omitted] They arrested me at home without a warrant. They beat me and broke two of my ribs. They tied me on a stretcher and took me to Thomazeau unconscious. They dumped me at the general hospital. They stole $300 out of my pocket, and my 5 cattle, 9 goats, and 13 chickens. [passage omitted] They took all my things, the section chief and the Caser members did!

Then they took away a suitcase I had that contained all my papers for the land that belonged to my father and my grandfather. [passage omitted] They took my primary education teaching certificate. They said the diploma was the reason I was running a communist school. Darilien grabbed it and destroyed it. He broke apart the frame and tore up the diploma. [end recording]

Jamaica

Manley Probes Minister's Refurbishing Costs

FL1705163389 Bridgetown CANA in English 1401 GMT 17 May 89

[Text] Kingston, Jamaica, May 17, CANA—Jamaica's Prime Minister Michael Manley has ordered a probe into the cost of refurbishing offices and homes for his cabinet members, and has told his finance minister not to pay bills considered exorbitant.

The Prime Minister's Office said Manley on Tuesday gave finance minister, Seymour Mullings, instructions for "intensive investigations" and promised that a full report would be sent to Parliament.

Manley's actions came against the backdrop of embarrassing rumours and press reports of lavish refurbishing and decoration of government offices for some members of the administration, which took office after February 9 general elections. Most of the spotlight has fallen on the mining and energy minister, Hugh Small.

The GLEANER newspaper last week reported that J400,000 dollars (1 Jca dol ; 18 cents US) was being spent on renovating and decorating a section of a building owned by the state-owned Petroleum Corporation of Jamaica (PCJ) for offices for the minister. Another report claimed that J35,000 was being spent on offices for the PCJ executive chairman, Eli Matalon.

The officials have not responded to the reports, but media commentators here have seized on them, arguing that this was extravagance especially when the government had already imposed a host of price increases and had warned of economic austerity.

"Mr Manley has told the minister of finance that where any expenditure is considered in his judgement to be exorbitant, he is to refuse to authorise payment until the costs are examined in detail by technical officers of the Ministry of Construction and appropriate adjustments made," a statement said. Mullings was also to advise Manley on any expenditure he regarded as extravagant. "In such cases, the person or persons responsible will be required to finance the cost personally," the statement said.

However, Manley did point out that in a number of cases new accommodations had to be created for new ministries, such as the Ministry of Production and the Ministry of Mining and Energy—the one that Small heads. There were also cases of ministries and official residences that were damaged by last September's hurricane or that suffered from inadequate maintenance.

Nation, IMF Agree on Program Outline

FL1705213389 Bridgetown CANA in English 2109 GMT 17 May 89

[Text] Kingston, Jamaica, May 17, CANA—Jamaica and the International Monetary Fund (IMF) have agreed on the outline of an economic programme for the 1989/90 fiscal year, Prime Minister Michael Manley has announced. "We have accepted the outline of the agreement reached," Manley told small business association members in a speech Tuesday.

It is expected that elements of the agreement, which will have to be approved by the IMF board, will be announced by the finance minister, Seymour Mullings, when he presents the budget on May 25. The budget presentation was being held up by the negotiations with the fund.

A Jamaica delegation, led by acting Central Bank Governor, Dr Owen Jefferson, was in Washington last week concluding talks with the IMF.

The programme for the current fiscal year was negotiated within the framework of a U.S.114 million dollar stand-by agreement the former Edward Seaga administration signed with the IMF in 1988 and which still has an estimated U.S.97.6 million dollars in credit. The government will also have to begin meeting quarterly performance criteria in June, according to an announcement by Mullings.

Manley, whose government came to office in February, would under the standing agreement have had to meet an IMF test in March—which the administration was expected to fail. But the fund agreed to forego that March test, accepting the argument that that fault was with its predeccesor.

Originally the IMF programme was for 14 months, but was initially extended for six months after a hurricane lashed the island last September.

St Vincent and the Grenadines

Nation's General Election Results Announced

FL1705211789 Bridgetown CANA in English 1526 GMT 17 May 89

[Text] Kingston, St Vincent, May 17, CANA—Prime Minister James Mitchell's New Democratic Party (NDP) received twice as many votes as its main rival in Tuesday's general election.

The NDP collected just over 29,000 votes, grabbing the 15 seats that were at stake. Preliminary results show that 71.8 percent of the voting population turned out to cast

a ballot Tuesday to give the NDP a second straight term in office. Of the 61,046 registered voters, 43,877 cast ballots—29,070 of them for the NDM.The St Vincent and the Grenadines Labour Party [SVLP] led by Vincent Beache, which had three of the 13 seats in the last Parliament, got 13,272 votes, the Movement for National Unity [MNU] with its two candidates 1,031 or 2.35 per cent and the United People's Movement's [UPM], two candidates gathered 466 or 1.06 per cent of the votes.

In the 1984 general elections there were 47,863 people on the register and over 88 per cent or 42,507 of them voted.

Then, the NDP got 21,700 or 51.41 per cent of the vote, the SVLP 17,700 or 41.44 per cent, the UPM 1,350 or 3.20 per cent, the MNU 855 or 2.03 per cent and the People's Democratic Party, which did not contest this years elections, 810 or 1.92 per cent.

Government Communique on Panamanian Situation
PA1705165389 Mexico City UNOMASUNO in Spanish 15 May 89 pp 1, 6

[Communique issued by the Foreign Relations Secretariat in Mexico City on 14 May]

[Text] The Mexican Government, through the Foreign Relations Secretariat, announces with regard to recent events in Panama that on 10 May, Mexico signed a joint declaration on the situation in Panama with the Rio Group, made up of Argentina, Brazil, Colombia, Mexico, Peru, Uruguay, and Venezuela. That declaration reaffirms those Latin American countries' commitment to uphold, in dealing with the Panamanian problem, the basic principles of nonintervention, self-determination of peoples, respect for human rights, and the consolidation of democracy.

Mexico also agreed to convene the 21st consultative meeting of OAS foreign ministers at the OAS headquarters in Washington, D.C. on 17 May to discuss this matter.

At that meeting, Mexico's position will be based on the following guidelines:

1. Mexico reaffirms its commitment to the OAS Charter, which includes among its principles: "Every state has the right to choose, without foreign interference, its political, economic, and social system, and to organize in the manner it sees fit, and the duty to refrain from interfering in the affairs of other states."

2. Mexico also reiterates the validity of the premise established in that charter, namely: "Representative democracy is an indispensable condition for the region's stability, peace, and development." However, it cannot allow the OAS to be converted into the court of final appeal in the election processes of American countries. The OAS can best defend Latin American democracy, in a manner compatible with the principle of nonintervention, through defense of human rights, in strict compliance with existing instruments on the subject.

3. Mexico will strictly adhere to Article 1, Paragraph 2 of the OAS Charter, which states that the organization has no powers other than those expressly conferred upon it by the charter, which makes no provision for the organization to interfere in matters within the internal jurisdiction of its member states.

4. In this specific situation, Mexico will examine proposed resolutions that are presented from the viewpoint of our commitment to the defense of human rights, nonintervention, self-determination, and the prevalence of democratic values, and will refrain from making pronouncements on internal affairs that are reserved to each state.

However, Mexico expresses its deep consternation over the events in Panama, which regrettably separate that fraternal country from Latin America's democratic community, a situation that is aggravated by a high level of confrontation and violence that has resulted in the public violation of human rights.

It is regrettable that the Panamanian situation has been worsened by the personal position of General Noriega, whose moral and ethical reputation is one of discredit, and who has imposed his private interests over those of the Panamanian people.

5. As was agreed upon in the Declaration of the Mechanism for Political Consultation and Agreement (Rio Group) in Acapulco in 1987, at the head of state level, Mexico will reaffirm at this meeting the importance of strict compliance with the 1977 Panama Canal treaties, "including the turnover of that canal to exclusive Panamanian control."

6. We will reconfirm Mexico's firm commitment to struggle to preserve and strengthen democracy in our respective countries, with strict respect for the principle of nonintervention. This means that we must strengthen continental solidarity without undermining the sovereignty and independence of each state, and that we must maintain every state's right to adopt institutions and democratic systems in accordance with its particular situation and beliefs.

With respect to the serious events that are occurring in Panama, Mexico believes that respect for the legal system, human rights and the will of the citizens should prevail. It therefore urges Panamanian authorities to show political maturity and seek a solution to their internal conflicts within a framework of respect for the people's will and for Panamanians' human, civil, and political rights. Similarly, Mexico urges all member states to settle their controversies by peaceful means, and to contribute to an external climate of good sense and calm, which will help to create an internal climate in Panama conducive to the advance of democracy.

Democracy is a basic value of coexistence, not only among citizens, but also among nations, and among nations, democracy is manifested by respect for the principle of nonintervention.

Opposition Holds Rally in Front of U.S. Embassy
FL1705171689 Mexico City NOTIMEX in Spanish 1348 GMT 17 May 89

[Text] Mexico City, 17 May (NOTIMEX)—Approximately 100 people held a rally in front of the U.S. Embassy yesterday to ask for the United States to leave Panama. Members of the Cardenist Front for National Reconstruction and Popular Socialist Parties waved their parties' flags and chanted slogans against the imperialist and hegemonic policies of the Bush government.

Some 10 speakers from the two political parties condemned the attacks on the Panamanian people in front of the Embassy guarded by close to 50 antiriot police officers armed with clubs. They also expressed their opposition to the statements released by the Mexican Government against General Manuel Antonio Noriega and said neither Mexico nor the OAS have the moral authority to judge the leader of any country.

The rally was 90 minutes long and took place without incident.

New Foreign Investment Law Published 16 May

FL1705165289 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 16 May 89

[Text] The new rules of the foreign investment law were published today in the official gazette. Commerce Secretary Jaime Serra Puche said that the document clearly establishes the rules that will govern foreign investment. Foreigners cannot invest in 21 activities that are reserved for the state or Mexican businessmen. These activities include: the petroleum and basic petrochemical industries, electricity, railways, telegraph, banks, stock brokerages, transportation, and radio and television.

The goals of foreign investment are to complement local savings, to consolidate Mexico's position as an exporter, and to open new markets for our national products.

Economic Report Shows 1st Quarter Improvement

FL1705212389 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 17 May 89

[Text] At the same time that they reported that the financial deficit dropped by 62 percent in the 1st quarter of this year, compared to the same period in 1988, the Finance and Public Credit and Planning and Budget Secretariats reiterated that the nation's finances will be kept under strict control.

The two secretariats submitted a report to the Chamber of Deputies on the nation's finances and economic situation during the 1st quarter of 1989. The report stresses that the current circumstances show that the economic situation has evolved favorably. To support this conclusion the following statistics were mentioned: In the first 2 months of the year industrial production increased by 2.5 percent. This increase was the result of similar behavior in the manufacturing industry, with a 3.1 percent increase; the electricity sector, with a 5.7 percent increase; and the construction industry, which had a 3.1 percent increase. The report from the two secretariats says that this confirms that the productive sector has avoided the effects of the crisis that is afflicting the country.

Another important development mentioned in the report is that employment rose considerably during March. According to the Mexican Social Security Institute's register of permanent members in March 1989, the number of new members increased 5.4 percent compared to the same month in 1988.

Regarding the trade balance, the document reports a surplus of $98.8 million during January 1989. It is worth mentioning that manufacturing industry sales abroad increased by 10.5 percent in January, making a hefty contribution to the 5.4 percent increase in total sales abroad.

The report also says that during the 1st quarter, the federal government's budgeted expenses totaled 7.2 billion pesos, which represents a drop of 15.5 percent in real terms, compared to the same period in 1988.

This report by the Finance and Public Credit and Planning and Budget Secretariats is a commendable practice that shows us how the Mexican Government is using public funds.

Pemex Fleet Expanding Transportation Operations

FL1705213589 Mexico City NOTIMEX in Spanish 0239 GMT 16 May 89

[Summary] Mexico City, 15 May (NOTIMEX)—The state-owned Mexican Petroleum (Pemex) company has revealed that, for the 2d consecutive year, its own fleet has handled most of its transportation requirements and that, compared to the previous year, in 1988 the company cut its vessel leasing expenses by 21 percent.

Pemex said that it moved 152.1 million barrels of petroleum last year, and that 60 percent of this figure was transported by the Pemex fleet. Pemex currently has 34 tankers and 185 smaller vessels.

El Salvador

'Violent Solution' to Panama Crisis Opposed

PA1705130689 San Salvador Radio Cadena YSKL in Spanish 1220 GMT 17 May 89

[Excerpts] Salvadoran President Jose Napoleon Duarte has stated that a violent solution to the Panamanian political crisis is definitely unacceptable. The president said that El Salvador will support the defense of democracy in Latin America, and—in the case of Panama—will demand respect for the will of the people who went to the polls to define their destiny and elect their government.

Duarte avoided answering when he was asked if at today's OAS session El Salvador would support an international quarantine against the Panamanian regime or if it would support recognizing opposition candidate Guillermo Endara as the winner of the elections. [passage omitted]

Referring to the soldiers loyal to Panamanian strongman General Manuel Antonio Noriega, Duarte disapproved of the use of weapons by those who want to impose their will, and said that obviously this is the path chosen by those who abuse power.

The president said that sending 1,881 U.S. soldiers to reinforce the over 11,000 troops stationed in the Pentagon's Southern Command in Panama was a correct measure.

FMLN Blames ARENA for Suspension of Evacuation

PA1805020289 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 18 May 89

[Communique issued by the Farabundo Marti National Liberation Front, FMLN, in El Salvador on 17 May]

[Text] The Farabundo Marti National Liberation Front [FMLN] reports the following to the Salvadoran people and to the local and international press:

1. As a result of many efforts resulting from the agreements on war cripples contained in the Geneva protocols and the agreements reached between the Salvadoran Government and the FMLN in Panama, arrangements had been made to evacuate 109 crippled FMLN members.

2. Today, 17 May, through the middleman Msgr Gregorio Rosa Chavez, we received notice of the decision to suspend the evacuation of the war cripples.

3. This decision is the final result of ARENA's [Nationalist Republican Alliance] campaign carried out by several ARENA spokesmen over the past few days, who have used legal and moral pretexts and even alleged an FMLN attack against an ARENA leader.

4. The FMLN rejects this maneuver and holds ARENA responsible for the suspension of this humanitarian action. This new action proves that ARENA is already in power and further confirms its repressive and inhumane policies. Furthermore, it is an example of ARENA's nefarious policy of disregarding respect for human rights and international agreements signed by El Salvador.

The local and international public must note the fact that actions of this kind represent a step backward and hurt the chances of making progress toward humanizing the war and achieving a political solution to the conflict. [Signed] Farabundo Marti National Liberation Front El Salvador, 17 May 1989

Guatemala

Cerezo Discusses Panama, Other Regional Issues

FL1705210289 Guatemala City LA HORA in Spanish 16 May 89 p 4

[Text] Guatemala has not determined an official position on Panama, although it rejects and condemns the annulment of the country's elections. Nevertheless, Foreign Minister Mario Palencia has left for Washington to propose that the OAS condemn the Panamanian military regime and in this way find a measure of international pressure that will end up in the establishment of Panamanian democracy.

This is the Guatemalan position outlined today by the president himself. He was holding a press conference at the national palace.

President Vinicio Cerezo said: "I want to make clear that the Guatemalan position is very specific as to the defense of democracy in Panama, and the same goes for the canal treaties, because we are defending the principle of self-determination. The canal belongs to the Panamanians and we must not make a mistake on this score. However, this does not justify a de facto regime in Panama."

"We deplore events in Panama and we are concerned. We believe that Latin America must take a stand on the matter because anything that affects a single Latin American affects all Latin Americans," the president added.

A Triumph for Democracy

Referring to Argentina, he said that it is "a triumph for democracy, no matter who the winner is. The important thing is for the people's will to be respected. In Argentina, the Christian Democrats supported the opposition. This, and a charismatic leader like Carlos Menem, contributed to Peronism's victory," Cerezo stated.

Nicaragua Is No Longer a Problem

Concerning the Central American crisis, the Guatemalan president said today that the Nicaraguan case is already solved. It is just a matter of time. The contras will be demobilized and political pluralism will grow in the country. Now, "what we are concerned about is El Salvador," he said.

The only thing missing is for President Alfredo Cristiani to come up with a realistic mechanism to demobilize the guerrillas and strengthen the democratic process.

"We are concerned because, if the guerrillas are made up of 5,000 men, what is going to happen when they are demobilized? [no end quotation mark as received] Without giving a date, the president recalled that the Costa del Sol summit agreed to hold the next meeting in Honduras. "We hope that in this new summit, El Salvador will have specific proposals concerning the guerrillas operating there," the president said further.

President Cerezo stated that the meeting of deputy foreign ministers was probably not a complete success because of El Salvador's concerns. In any case, the proposals were "most opportune, but there must be a realistic, feasible, and effective solution," he noted.

That is why it is now important as part of the regional peace efforts for the five area presidents to discuss and study all aspects of the Salvadoran guerrilla issue. How to achieve peace in El Salvador? It is something that seems difficult but not impossible. "We are confident," President Cerezo declared.

Regional Summit Tentatively Scheduled
FL1705132889 Guatemala City LA HORA in Spanish 12 May 89 p 4

[Excerpts] Following the first talks between Salvadoran President-elect Alfredo Cristiani and Guatemalan President Vinicio Cerezo Arevalo, held today in Guatemala City, it was learned that the Central American presidents will meet again in mid July. Moreover, President Cerezo accepted the next Salvadoran president's invitation to attend the swearing-in ceremonies scheduled to be held in San Salvador on 1 June.

President Vinicio Cerezo and his future counterpart broached other issues like the Central American parliament and the peacemaking efforts that began in 1986.

In principle, Alfredo Cristiani stressed that his government will do all it can to cooperate with the Central American peacemaking process. The two officials also agreed that Nicaragua is not the only problem in the subregion because there is also the Salvadoran problem.

Cerezo and Cristiani then spoke of the need for more in-depth talks to draft a feasible "strategy" and promote actions that will lessen the atmosphere of war that prevails in El Salvador.

They also said that the Central American problems have points in common even though the situations differ, and seen from this perspective, it is important to analyze them in an attempt to promote effective and long-term measures designed to achieve peace and development.

Claudia Arenas, public relations secretary of the Guatemalan Presidency, said that "this was a very positive first round of talks between the two presidents."

Arenas added that Cristiani and Cerezo also talked about the need to strengthen bilateral agreements and maintain a more direct line of communication to better coordinate the actions that will benefit the two countries. [passage omitted]

Before broaching the main issues of the visit, the Salvadoran president-elect asked Cerezo about the situation that prevails in the country following the attempted military coup d'etat.

President Cerezo told him that the situation has returned to normal and that political stability is being maintained. [passage omitted]

Modifying the agenda of the presidential meeting, today at noon the Salvadoran leader visited the Defense Ministry where he met with Guatemalan Defense Minister General Hector Gramajo. The meeting had been originally scheduled for 1030. [passage omitted]

Christian Democrats Condemn Violence in Panama
FL1705150889 Guatemala City PRENSA LIBRE in Spanish 13 May 89 p 20

[Text] Commenting on the Panamanian situation, Alfonso Cabrera Hidalgo, secretary general of the Guatemalan Christian Democracy [DCG], said yesterday that the use of violence against the leaders of the opposition is nothing more than a sign of weakness of a regime that wants to perpetuate itself in power at the cost of the honest and innocent citizen's sacrifice.

In my capacity as leader of the DCG, I strongly protest the disrespect shown for the Panamanian people's sovereign will expressed during the elections, Cabrera said.

Likewise, on behalf of my country's Christian Democrats, I demand an immediate end to the criminal acts of violence against the unarmed political opposition that represents the real interests and aspirations of the Panamanian people, Cabrera stressed.

I also ask for immediate recognition of the real electoral results as the only mechanism for the establishment of peace and democracy in Panama, an immediate end to the irresponsible acts of vandalism against the Panamanian people, and strict abidance of the law by all the officials who are institutionalizing their duties in support of a plan that is historically wasted as was proven when the people expressed their sovereign will and rejected imposition and force; I ask the democratic countries of the world to repudiate these actions, the CDG secretary general added.

In conclusion, Cabrera invited his colleagues to express their repudiation for the violation of the sacred rights of the Panamanian people, and offered our solidarity with

those who struggle to safeguard participative democracy in their countries, as well as with those who share our democratic nature and faith.

MLN Demands Cerezo's Immediate Resignation

FL1705144489 Guatemala City PRENSA LIBRE in Spanish 14 May 89 p 2

[Text] According to a bulletin issued yesterday, the National Directorate of the National Liberation Movement (MLN) has asked for the immediate resignation of the president of the Republic because his "bad faith and inability to govern has become evident, disappointing the Guatemalan people, who put their trust in him."

Referring to the 9 May events, the MLN bulletin says that "the military uprising was triggered by the dictatorial, despotic, and irresponsible actions of President Cerezo and his administration, and by the president's casual approach to our national problems, which has endangered the state of law and the democratic process."

The MLN bulletin adds: The Christian Democratic government's notorious inability to resolve the nation's most serious problems—in particular corruption, drug trafficking, insecurity, extreme poverty, misuse of the state's resources, and nepotism—have led the people to desperation.

The MLN bulletin continues: We have observed with serious concern that it is the government that is provoking the disruption of the democratic process by attempting to politicize and corrupt the Guatemalan Army; institute a party dictatorship; submit, make deals with, and gag the few independent media that still remain in the country; and improperly place the enormous resources of the state, which belong to the Guatemalan people, at the disposal of the government-backed candidate in the primary elections.

The bulletin ends by saying: In the event the president persists in his position of ignoring and mocking these demands, due to the political importance of the situation the MLN will back the suggestion made by Professor Alfonso Cabrera, the secretary general of the Guatemalan Christian Democracy, that the president immediately subject his mandate to a referendum.

Two DIC Appointments Made; Two Pending

FL1705145389 Guatemala City EL GRAFICO in Spanish 13 May 89 p 3

[Text] As part of the plan to reorganize the National Police, two of the four chiefs of the Criminal Investigations Department (DIC) took possession of their posts yesterday.

All four chiefs resigned last week. Since two of the positions have already been filled, it is believed that the other two chiefs will be appointed next week.

Subcommissioner Mariano Carpio was appointed head of the DIC, and officer Roberto Marroquin Urbina was appointed third chief. The two men are already on the job.

The posts that remain to be filled are second chief of the DIC and chief of the DIC substation at the I Corps of the National Police.

DIC spokesmen said yesterday that with these appointments the organization is continuing its crimefighting operations.

Bomb Placed Outside Opposition-Occupied Building

FL1705165789 Guatemala City PRENSA LIBRE in Spanish 13 May 89 p 4

[Text] According to a National Police report, the letters PGT [Guatemalan Labor Party] were painted on the rear windshield of the booby-trapped vehicle that was left at the entrance to the building where the members of the United Representation of the Guatemalan Opposition (RUOG) were staying.

The report also says that several flysheets reading "For Guatemala and socialism, the PGT" were found in the area around the building.

The official report says that at 2200 on Thursday the National Police's Joint Operations Center received a phone call from the superintendent of the building where the members of the RUOG were staying. The superintendent said that unidentified persons had abandoned a vehicle there, and that the vehicle contained an explosive device.

Upon arrival the police confirmed that a vehicle bearing license plate number P-93203 was in fact parked in front of the building. Closer scrutiny revealed that several homemade Claymore mines had been left inside the vehicle.

Specialized police personnel immediately disarmed the mines, which had been set up in such a way that any abrupt movement would have caused them to explode.

The owner of the car is Mauricio Hernan Rivas. A few hours earlier, Rivas had reported to the I Corps of the National Police that he had been held up by two armed men in the vicinity of Plaza Berlin, in Zone 13, and that the two men had stolen his car.

Nicaragua

Ortega Thanks Swedes for Holding Conference

PA1805005489 Managua BARRICADA in Spanish 15 May 89 p 4

[14 May letter from President Daniel Ortega to Swedish Prime Minister Ingvar Carlsson]

[Text] 14 May 1989
Mr Ingvar Carlsson
Prime Minister of the Swedish Kingdom

Dear Prime Minister and friend:

On behalf of the Nicaraguan people and government, I wish to express gratitude and to congratulate you for your government's initiative in having successfully held the First International Conference on the Nicaraguan Economic Situation.

The Stockholm Conference marks a new phase in support for the special economic measures adopted by the Nicaraguan people and government. These measures were unanimously backed by all participants.

At the political level, this program, which is supported by patriotic businessmen and workers, complements the steps Nicaragua has been taking to comply with the peace plan, which must ensure full democratization and respect for all human rights in all Central American countries.

We hope that the U.S. Government, which was invited to this conference but did not attend, will change its attitude and join this international initiative, which contributes to peace and stability in Nicaragua and the Central American region. Fraternally, Daniel Ortega Saavedra

Opposition Meets in San Jose, Issues Statement

PA1805043989 Managua Radio Corporacion in Spanish 1200 GMT 16 May 89

[Text] An important 2-day meeting was held in San Jose over the weekend to discuss the Nicaraguan situation. The meeting was sponsored by an international democratic organization and included opposition leaders in exile in Costa Rica, Alfonso Robelo, Alfredo Cesar, Fernando Aguero, Mario Alfaro, Roberto Ferrey, and others. The local opposition leaders who participated were Jorge Ramirez Acevedo, Francisco Anzoategui, Agustin Jarquin, and others. An agreement was signed by the two opposition groups. Here is what Jorge Ramirez Acevedo said:

[Begin Ramirez recording] We held a meeting on 13 and 14 May. A number of Nicaraguan political leaders, both residing in Nicaragua and in exile, participated. We discussed a three-point agenda, including unity, the possible nature of the political platform, and a single candidate for the elections. We analyzed the three points in depth and reached a consensus. We found that the opposition located abroad agree with us. They believe that what we have done in Nicaragua meets the country's needs and is in accordance with the current situation. After we met for 2 consecutive days, a statement was drafted. This is the text:

Having met in San Jose on 13 and 14 May under the sponsorship of the (Hansaldehl) Foundation of the FRG, Nicaraguan opposition leaders residing in Nicaragua and those in exile considered the current Nicaraguan situation and have the following to report:

1. We hereby request the world's democratic governments and forces to support the Nicaraguan civic opposition in its pursuit of democracy, peace, and liberty. These are necessary conditions for national reconciliation and reconstruction.

2. We hereby emphasize the need for a political dialogue between the Sandinist National Liberation Front [FSLN] and the civic opposition to establish the proper conditions for the election process.

3. We have decided to foster an agreement among all opposition groups regarding the slate, platform, and a single presidential candidate.

4. We hereby demand that the government fully comply with the commitments made through the Esquipulas II, Alajuela, and the El Salvador agreements and immediately order a general amnesty.

5. We hereby urge the OAS member countries to issue a resolution at its next meeting to acknowledge the Panamanian people's sovereignty, as expressed in the elections, in which the opposition won by a great majority.

San Jose, 14 May 1989. [Signed] Jorge Ramirez, Roberto Ferrey, Mauricio Diaz, [name indistinct], Fernando Aguero, Nelly Baltodano, Mario Alfaro, Armando Icaza, Victor Espinosa, Roberto Guzman, (Luis Avila), Santiago Rivas, [names indistinct], Alfredo Cesar, Carlos Hurtado, Agustin Jarquin, Cesar Diaz Hernandez, Francisco Anzoategui, Eduardo Coronado, (Julio Arguello), (Robert Quiros).

May I point out that [name indistinct] was present at all the meeting's sessions and fully participated. He did not sign the statement because he left for Nicaragua before it was signed. He will, however, sign the original and the photocopies once all the others have signed them. In addition, we received an invitation from Costa Rican President Oscar Arias the day we arrived in San Jose. At our meeting with him, we discussed the main issues. Arias is very concerned over the Nicaraguan situation. He stressed his own formula, the Arias plan, and the Esquipulas II agreement. He agreed with us on the need for national unity. [Words indistinct] We are determined to seek a solution based on national unity. [end recording]

New Political Party Requests Legal Status

PA1705160889 Managua Radio Catolica in Spanish 1800 GMT 16 May 89

[Interview with political leader Alejandro Perez Arevalo by unidentified reporter; date and place not given—recorded]

[Text] [Reporter] Dr Perez, what is happening with the document you presented to the CNPP [National Council of Political Parties] requesting legal status for your party? You have changed your party's name. Please tell us some more about that and about your new banner, flags, and statutes.

[Perez] Thank you Radio Catolica for this opportunity. I would like to tell the Nicaraguan people and our party followers that from now on our party will be called the Central American Integrationist Party, PIAC [Partido Integracionista de Centroamerica]. We were forced to change our party's name, because the progovernment party led by Blanca Rojas [not further specified] will have legal status.

We have formed this new political party based on an integrationist position. Our slogan is unity, integration, and freedom. Our flag is white with a six-point star in the middle, which symbolizes the unity of Central America and Panama.

In addition, we intend to continue struggling with the opposition within the Group of 14 [opposition parties]. Our struggle is one of the causes of the division within our party, because there have been attempts to divide the opposition. The opposition has been struggling tenaciously and its struggle has been manipulated by the Sandinist Front through its media.

We will not give up our struggle. We will continue seeking a path toward authentic democracy, national reconciliation, and peace, which is what our people need most. We need peace to rebuild this country and to see a better future for the Nicaraguan people.

[Reporter] Dr Perez, we believe there is a dateline for the CNPP to issue a ruling on your request.

[Perez] Yes, we went to the CNPP offices this morning. [CNPP President Hugo] Mejia sent us a message saying the CNPP will rule on all requests for legal status this afternoon. We are awaiting that decision. That is what I can tell Radio Catolica now.

Contras Kill 7 Peasants in 5th Region

PA1805040689 Managua Radio Sandino in Spanish 1930 GMT 17 May 89

[Text] A Sandinist People's Army [EPS] report issued today says that during the first half of May, small counterrevolutionary groups operating in the 5th Region murdered 7 peasants and kidnapped 21 others.

EPS sources in the region have reported that one of the latest actions carried out by the contras was an attack on the La Chalmeca Cooperative, 10 km southwest of Rama, on 14 May. As a result of the attack, 1 civilian was killed, another 3 were wounded, and 15 others were kidnapped.

The sources said that despite the decrease in military actions, anti-Sandinist groups continue their criminal activities.

The sources said the EPS forces in the 5th Region respect the government decree that calls for a suspension of offensive military operations but remain alert and on the defensive to respond to any enemy attack.

Meanwhile, the Interior Ministry's security forces are working to dismantle the counterrevolutionary network.

Cordoba Devalued; Price of Gas Increased

PA1805044389 Managua Radio Catolica in Spanish 1130 GMT 16 May 89

[Text] The official exchange rate went up again. Now the official exchange rate is 7,400 cordobas to the U.S. dollar. The price of gasoline was also increased. The new price per gallon is 13,700 cordobas.

Panama

Noriega Comments on Current Situation

Discusses Election Resolution

PA1705192389 Madrid EFE in Spanish 1857 GMT 17 May 89

[Text] Panama City, 17 May (EFE)—General Manuel Antonio Noriega, commander of the Panama Defense Forces, today said that the crisis caused by the elections must be resolved by civilians and that the decision to hold new elections rests with the Electoral Tribunal.

In an interview in this capital via satellite for the French public television station Antenne-2—the first interview he has granted since the 7 May elections—Noriega appeared in civilian clothes, calm, and "sure of himself," according to what a French source told EFE in Panama.

In the interview, conducted from Paris by journalist Cristine Okhrent, Gen Noriega said that he will stay in Panama "because I am a Panamanian and a patriot."

Noriega said that the Defense Forces are dedicated "to guaranteeing the independence of Panama." He blamed "U.S. imperialism" for his country's current situation, and he added that the United States intervenes in Panama to "control the region" from the country.

As for the violence and injuries suffered by opposition leaders, Noriega replied by showing pictures of several soldiers wounded by bullets during a demonstration.

Gen Noriega warned Latin American countries that if the OAS adopts a resolution criticizing Panama under U.S. pressure, "the same thing could happen tomorrow in any other country."

Thirty-one foreign ministers will meet today at the OAS headquarters to discuss the Panamanian crisis and try to reach a common position.

Rejects Demands for Removal

PA1705195689 Buenos Aires REUTER in Spanish 1923 GMT 17 May 89

[Text] Paris, 17 May (REUTER)—Panama's strongman General Manuel Antonio Noriega today rejected U.S. demands that he be removed from his post following the annulment of the recent elections.

"We cannot accept the demands made by the head of the imperialist world, which calls upon Panamanians to rebel as if they were slaves," Noriega told French television today in a clear reference to the call made by U.S. President George Bush to the Panamanian military to depose the commander of the FDP.

Noriega said that violence during the 7 May elections was a result of "a dispute among rival political parties."

Not To Leave Panama

PA1705202389 Paris AFP in Spanish 2003 GMT 17 May 89

[Text] Paris, 16 May [date as received] (AFP)—"There is no reason for me to leave Panama," General Manuel Antonio Noriega has said in statements released today by a French television network.

Noriega explained that the struggle "against U.S. imperialism" is waged by an entire people and not by a single man.

"Consequently, I see no reason for me or other Panamanians to leave the country," the commander of the Panama Defense Forces said.

Noriega said that U.S. accusations that he is a drug trafficker were a maneuver "aimed at discrediting me."

The Panamanian strongman did not say whether there would be new elections in his country following the annulment of the 7 May elections.

Reportage on Upcoming OAS Meeting, Reactions

Ritter on U.S. Intervention

PA1705131089 Panama City Domestic Service in Spanish 1100 GMT 17 May 89

[Text] Foreign Minister Jorge Ritter has said that the threat of a U.S. military intervention in Panama should be the only topic to be discussed at the OAS assembly in Washington today. In statements to the Panamanian press, Foreign Minister Ritter said that Panama is the only country that has to speak at the special OAS assembly. The analysis of other issues dealing with Panama's domestic situation would run contrary to the jurisdiction of the organization, which cannot be turned into a court of appeals, Foreign Minister Ritter added.

Ritter has established contact with several Latin American countries that will support his position. However, he did not disclose the names of those countries.

Stance for Meeting Outlined

PA1705151589 Panama City Domestic Service in Spanish 1158 GMT 17 May 89

[Station Commentary]

[Text] The information machinery controlled by and from the United States is now brandishing the thesis that today's meeting at the OAS in Washington aims to have Panama in the defendant's dock, as if it is a matter of judging the policy of our country and its authorities according to international law. This is a fallacy that has been rejected by Foreign Minister Jorge Eduardo Ritter, who emphatically has pointed out that the regional organization cannot become a court of appeals or a court with greater jurisdiction than the court of the Republic of Panama.

It may indeed be possible that Washington and its unconditional regional allies will try to turn this meeting into a kind of trial of our country, without analyzing how the effects of such a situation on an OAS member could correspond to other member countries. As our foreign minister clearly said, Panama is the one who has the most to say at today's OAS meeting, because the maneuvers to which our country is being subjected at this time have a negative effect on the Latin American international scene.

It is clear Washington is conducting an intense campaign that may allow it to attain goals similar to those of the 1960's, when it was able to achieve the diplomatic isolation of the Republic of Cuba in an incident that clearly showed the shameful submissiveness to White House orders by the regional governments of the time. The current internal situation in Panama is completely a result of the U.S. policy of meddling, intervention, and aggression against our country. Such meddling has affected all aspects of national life to the point it has put us in the current critical situation from which Washington intends to obtain innumerable benefits. The U.S. Administration, based on the current realities, seeks to improve its interventionist mechanisms by resorting now to OAS support. However, the U.S. Administration is doing this just as part of the overall formula. Otherwise, why did Washington not wait for the results of today's meeting to adopt military measures against our country, such as stepping up the combat readiness of the armed contingents that allegedly defend the Panama Canal.

Washington is doing nothing more than keeping the card of armed intervention under the table while it maintains a moderate stance by resorting to the OAS. Panama will tell OAS members and the world, through Foreign Minister Ritter, that Panama is a victim of a merciless

aggression by one of the organization's country members. The international community must bear in mind that Panama recently reported to the UN Security Council on the U.S. aggressive, interventionist policy in our affairs and that these charges were filed before the elections. This meddling was precisely what prevented the normal election process, thus generating the circumstances the OAS will analyze today. The OAS can and should analyze those circumstances based on international law and the current norms for peaceful coexistence among nations, because Washington's policy toward our country endangers this coexistence in addition to shamelessly violating the right to peaceful coexistence.

Under no circumstances can the OAS attempt to establish the rules for the sovereign and constitutional actions of the Republic of Panama, because this would set a fateful precedent that, sooner rather than later, would allow cause for the violations of the internal rights of its country members.

Therefore, today's OAS meeting in Washington will test once again the ability and efficiency of the multilateral organization to interpret the internal reality of its country members in the context of its multilateral relations. Today's meeting will tell the world how far the unity and solidarity of Latin America's conscience has progressed and how well we have learned to discern between our common interests and the interests of those who have traditionally diminished the sovereignty and independence of our peoples and nations.

Panama is watching. However, independent of the result of this meeting, Panama will continue to preserve its identity, independence, and sovereignty until the final victory.

'Choices' Available Noted

PA1805025789 Panama City MATUTINO in Spanish 17 May 89 p 4

[Editorial: "The OAS in the Judgment of History"]

[Text] The U.S. Government's skill in carrying out obscure, underhanded, and always well-financed maneuvers has resulted in an attempt to analyze "the Panamanian situation."

However, that "situation" and analysis concern matters related to the 7 May elections, as if the OAS had been created to exercise the functions of an organization endowed with superpowers, whose scope of action (and interference) is so broad as to transcend the member countries' geographic, political, ideological, and psychological borders, allowing it to make decisions in a matter as delicate and exclusive to each country as their elections.

This is apparently the intention of the forces that are acting behind the scenes at the OAS meeting, in which there will be an attempt to "judge" Panama.

However, to the contrary, thus far the conglomerate of nations that make up that multinational organization have defended the self-determination of the American people. The OAS acts only as an intermediary, peacemaking body which mediates among its member peoples whenever harmony is threatened by forces of any kind.

This being the case, the OAS meeting will only be justifiable in the eyes of history if it is understood that "the Panama case" or "the Panama situation" refers only to the aggression being endured by our country, which is subject to all kinds of U.S. Government pressures. None of the delegates to that meeting is ignorant of that aggression, because it has been reported in the international media, including the U.S.-controlled media, although in the latter case the reports carry the seal of disinformation and lies so characteristic of the U.S. Government in recent years.

Therefore, the meeting is significant because it places the OAS at a crossroads at which it has but two choices: on the one hand, the Pan-Americanist, genuinely democratic concept based on the defense of the member states' physical integrity and on their sovereign right to have the government that suits them, without any foreign interference; on the other hand, the choice is to take the submissive action of those who act in obedience to the voice of a strong and rich master, who orders them to forget about his arrogance and instead to become embroiled in the incidents surrounding an election. On the one hand, prestige, salvation of the organization's image in the judgment of history; on the other hand, dishonor because of the weakness that would be revealed if the OAS assumes the role of an electoral tribunal instead of a severe judge who condemns the strong for attacking the weak, especially when the weak one is one's brother by race and history.

CPDH Requests 'Intervention'

PA1705141889 San Jose Radio Impacto in Spanish 0335 GMT 17 May 89

["Text" of letter sent by the Panamanian Human Rights Committee [CPDH] to OAS Secretary General Joao Clemente Baena Soares—date and place not given]

[Text] Dr Baena:

The Panamanian Human Rights Committee, deeply concerned with Panama's social, political, and economic situation, addresses the Organization of American States with a desperate cry of anguish to request its urgent intervention in support of a peaceful, democratic, and concerted solution to the current crisis. The opinion of this committee, which is shared by a majority of organizations, including the Catholic Church, civic clubs, educators, business and professional organizations, is that if the people's will expressed last 7 May is not respected, the country will be faced with fratricidal violence.

The committee stresses that although the minimum conditions for a free and democratic election process were not present, as was acknowledged by the Inter-American Commission on Human Rights, the opposition parties agreed to participate in the elections, choosing the only civic and peaceful path in search of a transition from a military tyranny, which disregards human rights, to a democratic state. The Panamanian people voted for democracy by a margin of three to one. That election, equivalent to a national plebiscite, has been disavowed by the regime headed by General Manuel Antonio Noriega. By annulling the elections, the Panamanian Electoral Tribunal [TEP] shirked its obligation and displayed a flagrant disregard of the clear will of the majority of the people, which is tantamount to a coup d'etat. Hopefully what has happened in Nicaragua and El Salvador will not occur.

One side is supported by a superpower and the other side by another. The victim—the people—are increasingly mired in mourning and poverty. The OAS, which represents all the countries of this hemisphere, cannot evade the great historic, social, and ethical responsibility of finding a peaceful solution to the critical Panamanian situation. International agreements, ratified by the OAS member countries, oblige these member countries to avert a situation of fratricidal violence, as can be seen coming to Panama. Such a situation would, in fact, impair the Central American peace process.
Sincerely,
[Signed] Dr Osvaldo Velasquez, president

Communist Youths Near Office

PA1805013389 Madrid EFE in Spanish 1630 GMT 17 May 89

[Excerpt] Panama City, 17 May (EFE)—A group of 15 youths from the (Communist) People's Party [PdP] today occupied the entrance to the OAS office in this city to protest the foreign ministers meeting being held today in Washington to analyze the situation in Panama.

Five of these youths today began a 48-hour hunger strike "to protest the OAS decision to discuss isolating Panama from the international community and thus pave the way for a U.S. military invasion," a PdP leader said.

The OAS office is located on the second floor of a building in downtown Panama City. The communist youths are not up on the second floor, but are blocking the ground floor entrance. [passage omitted]

Reportage on Work Stoppage Reaction

'Normal' Situation Reported

PA1705141089 Madrid EFE in Spanish 1343 GMT 17 May 89

[Text] Panama City, 17 May (EFE)—The situation was normal in Panama City early this morning, although traffic is relatively light. The Panamanian opposition called for "citizens' paralyzation actions" today.

EFE correspondents toured various areas of Panama City and noted that as of 0800 (1300 GMT) supermarkets, banks, restaurants, and other commercial establishments were open while the windows of many stores and ground floor offices were covered with wooden boards.

The EFE correspondents did not notice an abnormal number of policemen in Panama City, and no incidents have been reported thus far. Traffic policemen are at major intersections in Panama City as usual.

Panamanian stores usually open for business at 0900 (1400 GMT).

The opposition did not present the "citizens' paralyzation actions" as "a strike," and it appealed to the "imagination" of workers and employers to demonstrate "peacefully" against General Manuel Antonio Noriega's regime and the annulment of the 7 May elections.

City 'Semiparalyzed' by Strike

PA1705183089 Paris AFP in Spanish 1711 GMT 17 May 89

[Text] Panama City, 17 May (AFP)—Panama City seemed semiparalyzed this morning due to citizens' paralyzation actions called for by the Panamanian opposition to repudiate General Manuel Antonio Noriega's regime and to demand the recognition of the opposition's victory in the 7 May elections.

In addition, hundreds of businessmen and employees said they went to work to avoid challenging the repressive measures announced by the regime against those who supported the 24-hour stoppage, although they did not hide their support for the opposition's protest.

Most Panama City stores are open today, but employee absenteeism and a very small stream of clients created a scene of almost total inactivity.

Public transportation was also operating relatively normally, although many buses were moving more slowly than usual and were half empty.

There were few people on the streets, while in some banks the small number of employees who went to work had little to do due to the lack of clients.

The stoppage called by the Panamanian opposition for today takes place while the OAS is holding a special meeting to judge the most recent actions conducted by the Panama regime [words indistinct] such as canceling the licenses of food stores, drugstores, and gas stations that join the stoppage.

The progovernment labor unions announced that they would seize all businesses that participated in the stoppage.

Those and other government pressures seemed to have been successful, at least early this morning when most stores opened for business at their usual time.

A store manager, however, said that most [words indistinct] support the opposition's demands and that they opened their stores to avoid the government's reprisals.

The businessman said: "We are open although most of our employees did not come to work and people have not come to shop. You can judge yourself what is going on here."

Several businessmen who were interviewed estimated that between 5 to 10 percent of their employees showed up for work today. The businessmen agreed that the lack of clients proves the population's support for the protest called for by Panama's Civic Democratic Opposition Alliance (ADOC).

After touring several public offices, reporters verified that public offices are operating normally although very few people are seeking public services today.

Opposition sources stressed that the government also tried to neutralize the stoppage by scheduling for today the payment of $32 million in wages to approximately 150,000 government employees, who will receive their first biweekly paycheck for the month of May in addition to 1/5 of one of the 13th-month bonus payments that the government has owed them since December.

As the opposition protest developed today, the atmosphere in the streets was calm due to the total absence of troops and police forces.

ADOC asked its followers to go out into the streets of their neighborhoods at noon today to wave white handkerchiefs, the symbol of the peaceful, peoples' resistance that started over 1 year ago against Noriega.

Endara Calls Strike 'Success'

PA1705190789 Madrid EFE in Spanish 1710 GMT 17 May 89

[Text] Panama City, 17 May (EFE)—There has been little observance of the call made by the Panamanian opposition for a "general strike" as of mid-morning today in Panama City and other cities in the country.

However, Guillermo Endara, opposition presidential candidate, said today that "the stoppage has been a success if one takes into account the threats (made by the government) against businessmen and workers."

"We are very pleased with what is taking place and we hope the stoppage improves later in the day," he added.

So far there has been no official report on the extent of the protest.

EFE correspondents who toured various parts of the capital this morning reported that most stores were open.

Government offices are open as usual, and absenteeism has not been detected. Public transportation is operating normally.

However, employees at several companies in the industrial area were inside their installations but not working.

The opposition did not intend the "general strike" to be a lock out, and it has appealed to "the imagination" of workers and employers to "civically" express their rejection of "General Manuel Antonio Noriega's dictatorship" and the annulment of the 7 May elections.

The government warned on Monday and Tuesday that it would not tolerate what official sources have called an "employers' strike," and it announced severe measures to counter it.

"Business closed, business seized" was a warning made by the progovernment media and labor unions.

No incidents have been reported in the country as of 1100 (1600 GMT).

Riot units ("Dobermans," "Centurions," and "Smurfs" ["Pitufos"]) and their vehicles were seen in various parts of the capital.

The opposition used leaflets to call on its followers to take to the streets and protest in front of their workplaces at noon (1700 GMT).

Endara reiterated this morning that people should protest "at their homes and workplaces" at noon and he insisted that "we want the struggle for democracy to be as non-bloody as possible."

A spokesman for the Panamanian-U.S. commission in charge of administering the canal told EFE that "there has only been slight absenteeism in non-essential areas; therefore, the canal is operating normally."

The free zone in the city of Colon, the country's second city on the Caribbean coast, and the capital's two airports—Omar Torrijos and Paitilla—are operating normally.

The government announced over the weekend that it would pay its workers today. Workers should have been paid their biweekly checks and a portion of their 13th-month bonus on Monday.

Traffic was relatively scarce, but normal, in Panama City.

Many banks were adversely affected by the small number of employees who came to work, but the ones who did show were serving the public as normal. No bank is closed.

The stores were open in Central Avenue, but there were few buyers. A store owner told EFE that all employees showed up today, but "they were actively supporting the strike and they regret having to show up."

On Via Espana, another business area in the city's "international banking center," one could see some closed businesses as well as some open ones.

Endara on Strike, Opposition

PA1705195989 Madrid EFE in Spanish 1913 GMT 17 May 89

[By Antonio Martinez]

[Text] Panama City, 17 May (EFE)—Guillermo Endara, Panamanian opposition presidential candidate, said today that he "fears" the OAS will issue a weak resolution on the Panamanian situation at today's OAS meeting.

In addition, Endara said the citizens' paralyzation actions called for by the opposition to protest the annulment of the 7 May elections did not have much strength because of the "constant threats" that businessmen and employers received during the last few days.

In an interview with EFE, Endara said he fears the OAS foreign ministers meeting in Washington will approve a resolution that will be strongly worded against General Manuel Antonio Noriega, commander of the Panama Defense Forces, but weak in effective actions.

Endara added that for that reason the opposition is studying "several alternatives for struggle" that will be put into place "as of tomorrow," although he refused to give any details of those alternatives.

Endara asserted that the opposition insists on seeking "a concerted effort between civilians and military" as the best way to find a peaceful solution to the Panamanian crisis.

In answer to questions as to whether the opposition is willing to negotiate with Noriega, Endara said that "more than making a concerted effort with Noriega, we are talking about a concerted effort with the military, although we do not rule out Noriega."

Meanwhile, he stated that he holds a position that is "different and independent from the gringos position" concerning the situation in the country and its possible solutions.

According to the opposition leader, it is not very likely that the foreign ministers will reach a joint stand today on the Panama crisis. "I believe they will make this decision tomorrow," he added.

The ADOC, which insists that Endara won the election, sent a delegation to the OAS that will ask that the foreign ministers condemn the Panamanian regime, recognize ADOC's victory, and decree a "diplomatic quarantine" of General Noriega and Manuel Solis Palma, the minister in charge of the presidency.

Concerning the strike, Endara explained that businessmen "who received many direct and personal threats" opened their businesses but they are not working.

At noon today, the National Information System described as a "failure" the "citizens' paralyzation" called for by the opposition to protest the "dictatorship of Gen Manuel Antonio Noriega."

Endara acknowledged that the apparent normalcy in the country will affect the OAS decision, although he stated that he is "very encouraged" because "there is no business going on, and for all practical purposes, the country has been paralyzed."

At noon today, there was loud noise when opposition members protested by banging pots and pans and honking automobile horns, while waving white handkerchiefs.

More on Strike

PA1805000489 Paris AFP in Spanish 2231 GMT 17 May 89

[Excerpt] Panama, 17 May (AFP)—Guillermo Endara, Civic Democratic Opposition Alliance (ADOC) presidential candidate, said that today's "citizens strike" to demand recognition of their triumph at the 7 May elections "was a complete success."

"It was a citizens work stoppage; it was not a labor or union strike," Endara said, explaining why many businessmen opened their doors.

Ricardo Arias Calderon, ADOC first vice presidential candidate, said that 85 percent of private sector workers did not report to work. Arias claimed that the authorities arrested 10 people in Juan Diaz and Altos del Romeral, 20 km east of the capital, when the military repressed protests there.

Arias declared that more than 80 percent of the nation's doctors participated in the strike, as did industrial, commerce, and banking sector employees. In addition, spokesmen for some 120 foreign banks that operate in Panama City said that only 5 percent of approximately 2,000 employees reported for work.

Arias said that the civic actions against General Manuel Antonio Noriega [commander in chief of the Panama Defense Forces] will continue, but that calls will not be made for demonstrations "so as not to expose our people to arrests, torture, or death, because we will not use the people as cannon fodder."

For his part, Chamber of Commerce President Alfredo Maduro said that 80 percent of the 1,100 affiliates of that organization joined the protest. [passage omitted]

Activities Reportedly Normal

PA1705193289 Panama City Domestic Service in Spanish 1740 GMT 17 May 89

[Report by Eloida Martinez]

[Text] [Martinez] The 24-hour stoppage decreed by the business sector has not yielded the results expected by irresponsible segments who are seeking to further destabilize the nation's economy. This is reflected in reports from various parts of the country. Dionisio Morales filed this report from Veraguas Province:

[Morales] Everything is normal in Veraguas Province. During a tour of Santiago a few moments ago, we saw that businesses are operating normally: Banks, stores, restaurants, supermarkets, cooperatives, and transportation; everything is operating normally.

We visited the public market and all booths had meat, pork, and seafood for sale. Only one supermarket is closed, namely, Panama 2000, on 10th Street in Santiago. The grocery store of Christian Democrat Elmer Rodriguez and the agricultural store of Max Perez Herrera are also closed. So, before Radio Impacto of Costa Rica reports on this, we can say that if it wishes to report on the situation here in Santiago, it would have to report that only Christian Democrat Elmer Rodriguez' store and the other one mentioned before are closed.

Panama Defense Forces units from the 3d Military Zone were deployed all over Santiago to guarantee safety and peace in our province.

[Martinez] Martin Gonzalez, from affiliate Radio Guaymi, filed this report from David:

[Gonzalez] Moments ago, reporters from Radio Guaymi, in Chiriqui Province, toured David streets to observe how the community has reacted to a stoppage called by the local sedition. We noticed that the stoppage has had no effect here in David, because most businesses have opened, except for a few stores, a supermarket, and a gas station.

The community has not heeded this call because David residents are on the streets carrying out their chores, buying lottery tickets, paying their power, water, and telephone bills, and shopping. The home-cooking gas distribution service in Chiriqui Province is absolutely normal.

Public transporation is circulating normally along the various routes. David banks have also opened. We will provide additional information throughout the day because we will also tour the cities of Puerto Armuelles, Concepcion, and Boquete.

[Martinez] Enrique Zelaya also reports from Colon about the failure of the business stoppage decreed for today:

[Zelaya] In this province, banks, stores, transportation, the free zone, the Panama refinery, ports, public offices, and private businesses are operating normally. The people of Colon paid no attention to this call for a stoppage, thus showing that the opposition is alone in this province. This is a people who have matured a lot throughout the years. For the past 2 years, the noble people of Colon have said no to the opposition, who played their last card here.

[Martinez] Alfonso Cruz filed this report from Bocas del Toro:

[Cruz] The monitoring work carried out by our Voice del Teribe radio station throughout the province allows us to report to all Panamanian citizens that all activities in the private and public sectors are taking place with absolute normalcy.

Companies, stores, and all other activities in the productive Bocas del Toro Province are taking place in absolute normalcy. This shows that businessmen, storekeepers, and workers in general understand that these destabilization actions promoted by the ADOC, hurt the province, the country, and their own companies or businesses.

Polls and interviews that our station conducted among businessmen and Bocas del Toro communities, such as Chiriqui Grande, the port area of Almirante, Changuinola, the border area of Guabito, and Bocas del Toro City, showed the rejection of the ADOC call to participate in the stoppage.

[Martinez] Isela Escala filed this from Chitre, Herrera Province:

[Escala] During a tour early this morning, we observed that the stoppage decreed by the opposition and the Chamber of Commerce was 100 percent ineffective, because businesses have opened their doors as usual and their employees are working normally. The entire city of Chitre is working as usual. At this moment, everyone is working in Chitre.

We were told that the stoppage was also completely ineffective in Los Santos, because local businesses are operating normally without any kind of problem.

Described As 'Total Failure'

PA1805022789 Panama City Televisora Nacional in Spanish 2330 GMT 17 May 89

[Text] The work stoppage called by the opposition was a total failure, considering that 95 percent of businesses in Panama opened. This stoppage was called despite the fact that neither the Constitution, the labor code, nor any other law in our country allows stoppages, strikes, or business closures. In other words, this stoppage was an illegal measure.

Panama City remained calm all morning, as we can see in the film clips provided by our reporters. Police units guaranteed public order and kept a close watch over the capital. Despite threats by opposition groups trying to promote the paralyzation of business activities, traffic flow—including taxis, buses, trucks, and private vehicles—was normal.

Moreover, as we can see, there was a great amount of business activity, especially in the Central Avenue area. Thousands of people, used to leading a normal city life, made purchases in the businesses that were open. Meanwhile, other people used various means of transportation to travel to work.

A tour through several business areas in Panama City today once again confirmed Panama is a peaceful nation. Panama City's activities were completely normal, and production centers operated effectively.

This morning, Police Chief Lieutenant Colonel Gerardo Garcia also went on a tour of Panama City's main business areas and of Central Avenue to check on police vigilance in these areas. The police maintained a constant close watch over Central Avenue and other business and residential areas of Panama City to ensure the security and physical well-being of local merchants, who opened their doors to the public with faith and confidence in the country's future. Garcia took the opportunity to talk to several store and business owners about police protection.

Furthermore, Veraguas Province as a whole rejected the stoppage. Businesses opened as usual, and business activity in the city of Santiago kept its usual pace. We had a brief conversation with Veraguas businessmen, who said the country is in no condition to support a stoppage of any kind. Panama, they added, needs peace and employment to overcome the economic aggression it is suffering.

In Bocas del Toro, it was reported that private businesses and banana company trade unions said no to the work stoppage, despite the fact that the opposition is strong in Bocas del Toro's three municipalities. Today, according to spokesmen, activities were normal in Bocas del Toro and were characterized by people working hard at their jobs.

The failure of this work stoppage shows Panamanians all over the country are tired of actions that only aggravate the current crisis and that increase unemployment.

Further Reportage on Post-Election Reaction

Dignity Brigade Vows To Defend

PA1705181489 Panama City LA ESTRELLA DE PANAMA in Spanish 17 May 89 pp 2-A, 12-A

[15 May communique issued by the Dignity Brigade read by brigade commander Benjamin Colomarco during a news conference at the Atlapa Convention Center on 16 May]

[Text] The Dignity Brigade, which is made up of the following battalions: Saint Michael the Archangel, Latin Liberation, Rosa Elena Landecho, 16 December Torrijist Command, Fatherland, Sovereignty, Indio Nome, Attacare, Free of Los Santos, Omar Torrijos, Tuira Sentinel, Dignity Omar, Admiral Christopher Colombus, Nele Kantule, Spir Margdet State, and Generational Conquest, reports the following to Panama and the world:

1. Our movement has patriotic, nationalistic, and anti-imperialist roots and is made up of civilians.

2. The Dignity Brigade is made up of 10,000 Panamanians from all strata of our society without distinction as to race, sex, age, religion, and political or ideological affiliation who understand that nationality is the sum total of the people's expressions and Panamanian identity.

3. The Dignity Brigade receives occasional military training from the Panama Defense Forces, with whom it shares a popular Torrijist philosophy and an independent national project calling for strict compliance with the Panama Canal Treaties currently in force.

4. Our brigade members come from the most diverse communities, where, in addition to training for an invasion threat, they continue their professional duties. Without receiving any pay, they are now contributing a collective spirit to the effort of achieving collective well-being.

5. Panamanians and, above all, the brigade members, are striving for peace because they realize that without it we will not be able to achieve overall development in equality, justice, and liberty, as demanded by the people; thus, we reject confrontation among brothers.

6. Being opposed by reason and logic to violence, we assume the patriotic and historic responsibility demanded by Latin America and the Third World because of the

presence of imperialism. This means that the consolidation of national sovereignty often implies the sacrifice of a nation's most precious resource: human life.

7. With no other weapon but our determination to be free, we will do all that is needed to ensure that the bloodshed of Panamanians and attempts to bend our will will not go unpunished.

8. If the price we must pay to ensure that Panama will decide its fate without bastardly submission to foreign interests is our lives, we are willing to accept this with such determination that the number of casualties in the enemy's ranks will be multiplied by 10 in comparison to ours.

9. Being aware of our brotherhood with other world peoples who are fighting imperialism and other forms of domination and intervention, we brigade members make their causes our own in return for the solidarity they are showing in this struggle and other struggles of the Panamanian nation.

10. We swear to the Panamanian people that we will zealously ensure that their sovereignty is never again trampled; that our defenseless brothers are never again sacrificed; that we will be deserving of the national dignity that exists today on Ancon Hill once we win the struggle that will forever honor the sacrifices of our martyrs.
Panama for Panamanians!
Sovereignty or death!
Dignity Brigade
Panama City, 15 May 1989
Dr Benjamin Colamarco Patino
"A canal for peace and not war"
Enrique Thompson
Major Arturo Marquinez

PALA Proposes Dialogue, Junta

PA1805011889 Panama City Televisora Nacional in Spanish 2335 GMT 17 May 89

[Text] The Labor Party, PALA, released a statement today saying there are three ways of solving Panama's political problems. The PALA communique stressed promoting a national agreement and presented the following options:

First, Manuel Solis Palma, minister in charge of the Presidency, could remain in his position after 31 August 1989. Legislators could also remain in their current positions until conditions in Panama would allow new appointments to be made for these positions.

Second, Manuel Solis Palma could remain in his position after 31 August. Meanwhile, the Legislative Assembly would be automatically dissolved, having reached the end of its term. After 31 August, the Executive Branch would use cabinet decrees to legislate until the country's political conditions would allow the reactivation of the branches of power.

As a third and final alternative, the PALA proposes that a dialogue be established among government and opposition groups and the Panama Defense Forces to seek a national agreement. This agreement, PALA believes, could lead to the formation of a provisional government junta—a national reconstruction junta—that could, depending on what would be convenient at the time, either convoke a national constituent assembly or make a new call for general elections. It could also study measures for a complete moral, economic, social, and political reconstruction of the Panamanian state.

PRD Commission To Reorganize

PA1805002789 Panama City CRITICA in Spanish 17 May 89 pp 1, 19

[Communique issued by the Democratic Revolutionary Party, PRD, Political Commission in Panama City—date not given]

[Text] In view of the annulment of the May 1989 elections, which were promoted, defended, and strengthened by the PRD [Democratic Revolutionary Party], we are obliged to address the thousands of men and women who are members of our party and who are a majority of the Panamanian people.

We denounce the U.S. Government, its highest leader, and diplomatic representatives at the Yankee embassy, who became obvious and active agents in an operation against Panamanian democracy.

Our party acted honestly, and our candidate Carlos Duque waged an honorable, patriotic, and nationalistic campaign with the support of the majority of the people, who voted militantly on every square kilometer of our nation, despite open aggression before, during, and after the elections.

Before: By transferring $10 million to the opposition, secretly introducing sophisticated electronic interference equipment, and waging a disinformation campaign promoted by the U.S. establishment.

During: By buying votes, attempting to bribe election officials, and using a light plane—which was piloted by Alfredo Zelaya under orders of Augusto Garcia, alias Onassis—to distribute money in all the provinces between 4 and 7 May, an action during which it was seized.

After: By conspiring with area governments—under orders and under pressure from the leader of the U.S. power—to isolate and discredit the Republic of Panama to ensure the continued presence of U.S. military bases to control the Caribbean and Central and South America. This was done with the support of a circus of people who were not officially invited and who entered the country through U.S. bases in flagrant violation of the sovereignty of a defenseless and unarmed nation.

Those are the reasons for our denunciation. We wish to inform all the men and women who support the Torrijist national liberation project that we have started to reorganize our party—including the reorganization of government structures—to ensure national development in accordance with our current situation. Our CEN [National Executive Committee] is in permanent session; we have created a National Resistance Front comprising all social and political groups willing to embrace the struggle necessary to resist the economic blockade. Together with our allies, we are beginning a reorganization process to strengthen our rank and file, to improve organization, and to raise political consciousness.

Finally, we wish to say that the PRD has not renounced its historic mission as the standard bearer of the national liberation project that prompted U.S. imperialist forces to assassinate Torrijos at Marta Hill under orders by Reagan and with Bush's knowledge.
Sovereignty or death!
PRD Political Commission

Reaction to U.S. Measures

PA1705220189

[Editorial Report] The following is a review of Panamanian reaction to President George Bush's 11 May announcement of the adoption of seven measures concerning the current situation in Panama. This review covers the period from 11 to 16 May and includes some items that have been processed in fuller form.

The first monitored Panamanian reaction to President Bush's 11 May announcement was a commentary by Panama City Televisora Nacional commentator Luis Manuel Martinez on the evening of 11 May. Martinez said that President George Bush "was heard announcing his decisions a few minutes ago" and that the U.S. Government "wants to impoverish and destroy this country" as it "destroyed Nicaragua, Cuba, and so many others..." This way it "can decide not to turn over the canal." On 12 May, a commentary carried over Panama City Domestic Service added that "the measures the current U.S. Administration announced yesterday are really halfway toward an armed intervention that is on its way to becoming a full-scale invasion." The commentary added that "the current U.S. President wants to portray himself as more prudent in matters of aggression against other countries," but "it so happens that the White House resident wants to hide appearances better than his predecessor."

On 12 May, Buenos Aires REUTER reported that "the Noriega regime has not yet made any comment on the U.S. measures" and added that "Noriega has not been seen in public since before the elections, and government officials are not answering telephone calls." On 12 May, Luis Manuel Martinez's commentary on Televisora Nacional again referred to the issue by stating that "Washington cannot use the circumstances under which the elections were held as a pretext to continue to send troops to Panama."

On 13 May, Madrid EFE quoted a "Panama Defense Forces (FDP) intelligence officer" as saying that "it makes no sense to send this many soldiers to Panama, where there are already thousands of U.S. soldiers." He added that "the FDP are not worried about the arrival of reinforcements." On 13 May, Panama City CRITICA's "Scoops" column said that the "gringos who come to Panama to attack its people will find themselves on a dead-end street, and we will close it off so they cannot get out. Bush does not know what kind of trouble he will get those young and inexperienced men into, and they think they are out for a ride. They will have a fit when they see the first coffins being sent home. Watch out, this could be another Vietnam."

CRITICA on 13 May carried what it called the "text" of a Cuban Foreign Ministry communique on the Panamanian situation. The communique stated that the Cuban Government "warns of the grave consequences for all the Latin American region, and for U.S.-Latin American interests, resulting from the American people's unavoidable and explosive reaction if the U.S. military intervention in Panama ever occurs." The communique scores "the United States' pretension of assuming the role of arbitrator" in regional affairs and in maintaining the role of guardian, "which diminishes regional countries' sovereignty and rights as independent members of the international community." Mexico City NOTIMEX on 13 May featured an interview with Ruben Dario Souza, secretary general of the Panamanian People's Party, who said that "the U.S. military incursion already is a fact" by virtue of the U.S. military bases and "all that is left is for the area of operations to be expanded." Souza was also cited as saying that "the deployment of U.S. troops to Panama is part of the strategy to tighten the circle around Central America, a task that would be facilitated with a government willing to accept all U.S. conditions."

Panama City LA REPUBLICA DOMINICAL on 14 May alleged that Civic Democratic Opposition Alliance presidential candidate Guillermo Endara is advocating U.S. military intervention in Panama, judging from his interview with UPI journalist Douglas Tweesdale, and added that "Endara has dutifully followed the script prepared by his bosses at the U.S. Embassy" in Panama. The same newspaper featured Luis Manuel Martinez' international analysis, which reviewed the contacts of the United States with other nations, "following old imperialist tactics" used back in 1965, when the Dominican Republic was invaded. The analysis added that "Bush is desperately seeking a resolution against Panama" to "be used as authorization to increase the insults and severe measures that allow the assassination of General Manuel Antonio Noriega." The same newspaper published an editorial stating that the U.S. Government's "clear intention of abrogating the Panama Canal

Treaties and keeping its bases in Panama forever" has been rejected by the international community, including the Inter-American Regional Organization of Workers, the Broad Leftist Front in Chile, Nicaraguan President Daniel Ortega, the governor of Puerto Rico, the president of the Cuban Parliament, and several Mexican newspapers.

CRITICA on 15 May carried a report from the Committee in Charge of the National Anti-AIDS Program warning about "the arrival of more invading troops" from the United States, which is "the highest drug consumer in the world." The article said that U.S. society's "generalized drug consumption," its "sexual freedom and promiscuity," and "the crowded military bases to which all U.S. citizens who lived peacefully in Panama City have been forced to relocate" could become a serious problem for Panama. The committee warned that "there is a great risk of getting AIDS" if a person has intimate relations with the members of those contingents and urged the people to "avoid having homosexual or heterosexual relations or sharing needles, syringes, and personal items with those groups who are considered a high risk" in the transmission of AIDS.

The Domestic Service on 15 May broadcast a commentary that referred to "Panamanians who lack patriotism or who have been defeated by disinformation" and "who mistakenly believe that the way out of the country's political crisis is agreeing to and facilitating a U.S. military invasion" because it "would allow an economic resurrection." However, the commentary added, the situation is "exactly the opposite," because "the image of the kind and friendly U.S. soldiers who handed out candy and chocolates to children in the liberated countries after World War II is part of the myth created by Hollywood to popularize a military that became conceited through victory."

On 15 May, Panama City MATUTINO's "The Confidential Report" column reported that "several Marines died aboard the "USS Iowa" while en route to the Mediterranean." The column added that "in 1983, it was reported that an aircraft carrier was en route to Beirut, and then one morning it appeared, cowardly invading Grenada."

Also on 15 May, CRITICA featured a Luis Manuel Martinez' commentary that said that "the total number of troops sent by President Bush exceeds the 2,000 soldiers announced within the seven points of his new aggressions against Panama." The commentary added that "the troops include the battalion from Fort Polk, California (as heard), a combat unit that specializes in swift operations and surprise attacks, and one of its potential targets is the takeover of FDP headquarters and the Modelo Jail to prevent any resistance from the people in areas near 4th of July Avenue." The commentary added that "the (U.S.) helicopters and airplanes flying low over FDP headquarters and populated areas should not be considered a clownish act. They are the prelude to commando operations. We get used to the noise and eventually pay no attention, until the unexpected occurs."

EFE on 16 May cited "an FDP major" as saying that the "recent movements of U.S. troops in Panama are a provocation, but we will not fall for that." Asked about "the apparent passiveness with which the FDP have accepted these maneuvers," the officer said the FDP "will not do anything to play into that provocation." Havana PRENSA LATINA on 16 May cited the Mexican newspaper, EL DIA, as saying that "the United States is concentrating its efforts on an operation that is to lead to the death of Gen Manuel Antonio Noriega." The newspaper cited "intelligence sources in Panama" and said that "a conspiracy is well under way behind the smokescreen of a military deployment."

Panamanian opposition reaction to President Bush's 11 May announcement has been voiced by ADOC first vice presidential candidate Ricardo Arias Calderon. Although on 13 May EFE cited Arias Calderon as saying Bush's decisions are "very important," Madrid Domestic Service on 13 May reported that Arias Calderon said he did "not agree with Washington's decision to send more troops to the Panama Canal." On 14 May, Arias Calderon told San Jose Radio Impacto: "The most important point of President Bush's statement was the first one. The first point said he was willing to continue waiting for Latin American democracies to adopt a joint political position through the OAS." Finally, EFE reports on 16 May that Arias Calderon "rejects any U.S. military intervention," because, Arias Calderon says, "my country's opposition has ruled out domestic or foreign violence in defining Panama's future." Guillermo Endara and Guillermo Ford, the two other opposition leaders appearing on the ADOC presidential ticket, have not been observed to comment on recent U.S. measures in Panama.

CRITICA on Role of U.S.

PA1805033189 Panama City CRITICA in Spanish 16 May 89 p 2

["Today in the World" column by Luis Manuel Martinez]

[Text]

The Third World War

On 3 May, a Wednesday, the Marriott Hotel once again became the hub of activity for international reporters, approximately 400 of whom (correspondents, cameramen, and aides) were lodged there.

The hotel's room occupancy substantially increased.

As I watched those perspiring, tired people pass by carrying heavy equipment, I felt as though they were returning from a battlefield.

There were so many reporters that one of them, an old friend of mine, ironically said to me: "We came to report on the outbreak of World War III, but we fell short. We are accustomed to the idea that violence in Panama never results in a significant number of deaths or injuries."

I continued with my visit to the Marriott. I breakfasted with Andres Oppenheimer of THE MIAMI HERALD and met with Carla Anne Robbins of the U.S. NEWS AND WORLD REPORT. Of all the reporters, the one who left the deepest impression on me was Giuseppe Josca of the CORRIERI DELLA SERA of Milan, Italy.

Upon seeing me, his greeting spelled relief: "I have spent a week listening to 'reports' by the opposition and Americans via the U.S. Southern Command. I need to speak to you to get other points of view." We had several drinks, accompanied by the enchanting Queenie Altamirano [not further identified].

The disorder has gradually waned. Many have returned to their homes: "It is useless to remain here. It seems as if World War III will not break out over Panama. Bush seems to favor a prolongation of this situation, convinced that his campaign of attrition will yield results. He has almost 4 years ahead of him," said a blue-eyed blond in broken Spanish.

The Ritter Report

Accompanied by Drs Carlos Ozores and Adolfo Ahumada, Foreign Minister Jorge Eduardo Ritter traveled yesterday to Washington, where he will present Panama's report on the excessive number of U.S. aggressions, bribes, radio interferences, psychological war operations, and misinformation aimed at perverting and tainting the 7 May elections.

As If It Were Holy Week

Arias Calderon and Billy Ford [Civic Democratic Opposition Alliance, ADOC, vice presidential candidates] spent a liturgy-filled Sunday. They started out at Don Bosco Church, then went on to the El Carmen Church, and finished up at Cristo Rey. They distributed flyers, listened to the Episcopal Conference's letter, and received warm applause from the elegant gray-haired ladies who attended the church services and were interested in nothing more.

The U.S. cameramen and correspondents had no sensational material to send to their media.

George and Jimmy, the Couple of the Year

Former President Jimmy Carter ordered members of the National Vote-Counting Board to "stop working." His face reddened and his voice affected, Carter had lost his head. He was disrespectful to [Electoral Tribunal President] Yolanda Pulice de Rodriguez.

President Bush, aboard "Air Force One," encouraged uprisings, street riots, and military revolt.

Both Bush and Carter set a new precedent by casting aside their institutionalized hypocrisy.

It Is Not as Easy as It Seemed

With an air of self-sufficiency, [Venezuelan President] Carlos Andres Perez promised George Bush in mid-January that he would coordinate an OAS agreement to isolate Panama from the rest of Latin America.

"We only need a fraud. With a fraud we will destroy Noriega," Perez obsequiously and diligently said.

Bush did his part. He put $120 million in circulation, mobilized the U.S. Southern Command, and unleashed his blitzkrieg of misinformation.

And in the end...It is not that easy!

Questions surrounding "Perez' virulent anti-Noriega feelings [antinorieguista]" and the overwhelming, widespread rejection of a Yankee invasion, will be the second blow against Simon Bolivar's emulator, who is already guilty of innumerable murders and barbaric acts. Yet the Inter-American Human Rights Commission has not even hinted that it will open an investigation into his excesses.

Statements. What For?

I see no point in publishing the names of legislature candidates and the number of votes they won after the election annulment. Those allegedly proclaimed or elected must, undoubtedly, wait until elections are held again. For the time being...there's no point in getting all dressed up because you are going nowhere.

Aquilino Boyd [National Liberation Coalition, COLINA, second vice presidential candidate] Will Remain in Panama

Aquilino Boyd will not be at the Panamerican Building on Wednesday when the debate on Panama's situation begins. It is regrettable. The OAS would have listened to his words with special interest.

The Silent Strategy

The correspondents and political leaders with whom I meet on a daily basis in my search for information are protesting over the government's silence. "Only the opposition speaks out; there is a void, a lack of government information."

My answer to them is: "There are times when silence is used as a strategy. The government will speak in less than 1 week to present the new faces that will be on the scene after 1 September."

Editorial Criticizes Venezuela, OAS Meeting

PA1705143889 Panama City LA ESTRELLA DE PANAMA in Spanish 16 May 89 p A-4

[Editorial: "Panama's Case At the OAS"]

[Text] At the request of the Venezuelan Government, the OAS will hold a meeting in Washington tomorrow [17 May]. This meeting will be devoted exclusively to discussing Panama's recent elections, the events following the elections, and the elections' consequences abroad. Needless to say, there is great expectation in the hemisphere surrounding the meeting. The entire world has focused on Panama because of the problems surrounding the elections and because of the Electoral Tribunal's [TEP] decision to annul the elections. The OAS meeting is of special historic interest for Panamanians and for the entire hemisphere. This regional organization has discussed the domestic problems of a member nation on very few occasions.

It is especially noteworthy that the Venezuelan Government—which only a few weeks ago had to face a large-scale domestic conflict resulting in the death of over 500 people and in widespread destruction—was the government that presented the motion for the OAS to discuss the Panamanian elections. We cannot hide, much less deny, the fact that the Panamanian Government will be in an extremely delicate situation during the discussions beginning tomorrow in Washington. A great number of nations have not minced words in rejecting the events that have taken place in Panama. These governments will obviously take advantage of the regional platform to continue criticizing recent events in Panama.

However, we cannot help but notice that the Venezuelan Government, as well as the other governments who have spoken up against the situation in Panama, have had a complicity of silence regarding the U.S. Government's meddling in Panama's domestic affairs. At this point we realize we cannot evaluate the complexities of the Panamanian problem objectively and fairly. Yet we vigorously oppose and reject any government system that is not free and democratic. In this regard, we still feel that it is up to us Panamanians to straighten our path and seek our own destiny. We also oppose any foreign intervention in our affairs. We realize that the Panamanian conflict has become an international issue because of its implications and its seriousness. The conflict has drawn greater interest because of the U.S. Government's veiled threats to stage an armed intervention in Panama. The U.S. Government's intent has become evident with the sending of troops armed with modern weapons to the Panama Canal Zone.

Under such conditions, it comes as no surprise that Panama's case would, at any given time, be discussed at international organizations such as the UN and the OAS. Panama brought up the issue with the former organization, and the Venezuelan leaders have now raised the issue with the latter. Tommorrow's meeting is of paramount importance to the Panamanian people. However, we must also bear in mind that the OAS has, for quite some time, been an aimless organization. It has been discredited to the point of being inoperative. Let us see whether this meeting will actually be a concern for our nation and our government.

Argentina

Menem Gives Extensive News Conference

PY1605175889 Buenos Aires TELAM in Spanish 2359 GMT 16 May 89

[Text] Lujan, Buenos Aires Province, 16 May (TELAM)—President-elect Carlos Menem has said that he does not plan to travel to the United States for the time being but if he did go it would be to meet with U.S. President George Bush. Menem stressed that his government will seek to solve the foreign debt problem by seeking agreements with creditors through grace periods, pay deferments, or a negotiated moratorium. Menem said: "The Justicialist Party believes the country must fulfill its international commitments," and maintain its relations with the IMF, but added that negotiation with creditors must first contemplate growth.

Menem made this statement during an extensive news conference with foreign journalists and the press at the "Las Acacias" Ranch, which is owned by the Capozzolo family near kilometer 81 of National Highway No 5, in Olivera, Lujan District.

Menem told journalists: "The government has yet to produce a satisfactory reason why Congress did not participate in the decisions concerning our foreign and domestic debt. This is a clear violation of Paragraph 5 of Article 67 of the Constitution which says that the issue must be handled by Congress."

A journalist asked Menem if his government will implement a different foreign policy and called our current policy progressive. Menem said: "We cannot call progressive a policy that is mixed with ideology. Ideology in foreign policy simply means interference in the domestic affairs of other nations and this goes against international law. We will try to free our international relations from ideology."

Menem said his administration will maintain relations with all countries "as long as these relations benefit Argentina."

The president-elect said he does not plan to visit the United States "for the time being," but added if he decided to go "it would be to meet" with President Bush.

Regarding the Malvinas Islands issue, Menem reiterated that he does not see any problems in holding talks "with British Prime Minister Margaret Thatcher on the issue of the Malvinas Islands within the framework of the United Nations, but only if the UK recognizes our sovereignty over the islands—which are illegally occupied."

Asked about Argentina's participation in the so called Group of Eight and other international organizations, Menem said: "Integration is a goal that must encompass all Latin American countries including Central America and of course Mexico. Let us not forget that the founder of our movement believed in Latin American integration, visualizing the entire continent. Some positive steps have been taken in that direction." Menem said: "We must integrate Latin America. We will strengthen our relations with Uruguay and Brazil. We will work for closer links with all Latin American countries."

Menem said he will not call a plebiscite to decide on an amnesty for militarymen who violated human rights during the past dictatorship. He added: "We are not contemplating it. We believe that democratic institutions should be fully in effect. Our platform does not contemplate an amnesty or a pardon. I do not know what is in store for us in the future but our stability is assured. The Armed Forces have an essential role to play, the role for which they were created: our national defense."

The president-elect then said: "It is easy to make money without working in Argentina today because of the way the state is structured. The productive revolution will place things where they belong. We have to separate the real thing from usury and speculation. We have to introduce a new concept of work, production, and industrialization. This concept will be founded on agreements and pacts with the productive sectors."

Regarding a possible trip to the United States, Menem said: "We do not have plans for a trip to the United States at this time but if I go it would be to meet with the U.S. President; it does not make sense otherwise."

Regarding the situation in Panama, Menem said it was "difficult" adding: "We should endeavor to bring things back to normal, and to stop the disorders and violence. Above all, we should work to preserve democracy. All Latin American countries should intervene to prevent something worse from happening. I do not want to elaborate further on the issue because we do not have in-depth information on the situation in our dear and brotherly Panama, and I would not want to make a mistake on the issue."

Asked by a Canadian journalist if he would change his life style now that he has been elected, Menem said: "I have no reason to change my style if I became president with it." The answer moved Justicialist leaders and Menem's friends to laugh and applaud.

Menem was visibly annoyed when the correspondent of a British magazine asked about a quote attributed to him to the effect that Argentina would "enter the Malvinas Islands by force and without mercy." Menem said "it was a lie," an "absurd trick used by the official electoral campaign. They took my words out of context. I have never contradicted myself. We will recover the Malvinas Islands in accordance with the 1965 [as received] UN resolutions and the UN decolonization mandate. We will participate in all international forums to work for the return of the islands to our national patrimony."

Regarding the Peruvian experience, Menem said: "The failure of Alan Garcia's economic policies should help us to avoid making the same mistakes. We will learn from the Peruvian experience to avoid the same mistakes. For instance, we will not break with the IMF; doing that is breaking the rules of the game. This has isolated Peru internationally. Peru had to turn back in its tracks and try to negotiate its foreign debt."

Menem added: "What is important is that we will continue talking with our creditors. But they have to understand that if they want to collect they must give us the possibility to grow. Otherwise it will be impossible for Argentina to meet its international commitments. We want to pay, but if creditors put a rope around our necks and pull it and strangle us, we will not be able to pay. We would not have the money to pay."

Asked about his party, Menem said: "The Justicialist Party is built on a simple, national, popular, humanist, and Christian life philosophy, because its roots grow beside the church's social doctrine. But this does not mean we endorse any particular faith. We accept and respect freedom of worship."

Menem said that the Justicialist image in the world "became distorted" in 1946 after U.S. Ambassador Spruille Braden [as received] "became a leader of the democratic union and told the world that the Justicialist Party was fascist or Nazi."

Menem added: "In 1974, with General Peron as the leader, Argentina broke the blockade the United States had imposed on Cuba and then Justicialism had been regarded as Marxist. These situations have undoubtedly damaged the Justicialist Party's image abroad. Peronism is the world's most democratic party. Its members were jailed, tortured, persecuted. After the death of Justicialist's leaders, the party continued to grow. Some foreigners should hear this - those foreigners who, speaking fast and thoughtlessly, do not really know what they are talking about."

Responding to another question Menem said: "I do not have any problems in talking with Ms Thatcher as long as reciprocal concessions are made: For example, we want to end the conflict in the southern Atlantic and the British should recognize Argentine sovereignty over the Malvinas Islands. We can begin a fluid dialogue with those who have arbitrarily occupied part of the Argentine territory as soon as these concessions are granted."

Local journalists and approximately 300 foreign correspondents attended the news conference. Also present were labor and political leaders, congressmen, businessmen, and special guests.

Among those who attended the news conference were Antonio Cafiero; Carlos Grosso; Ruben Cardozo; Oraldo Britos; Jose Rodriguez leader of (SMATA) [Trade Union of Mechanics and Related Automotive Transportation Workers]; Jose Pedraza, railway union leader; Armando Cavalieri, trade union leader; Hugo Curto, leader of (UOM) [Metalworkers Union]; Alberto Kohan; economists Samuel Muzikansky, and Jorge Dominguez; businessman Jorge Antonio; the host Enrique Cappozolo and his wife, actress Graciela Alfano, among others.

At 0530, Menem and his wife arrived in a helicopter at the Federal Capital from Catamarca, where he attended a political rally.

Comments on Government Plans

PY1605152889 Buenos Aires DYN in Spanish 0336 GMT 17 May 89

[Excerpt] Buenos Aires, 16 May (DYN)—Tonight, President-elect Carlos Menem reasserted that he does not intend to assume power "before 10 December." He also said that he supports the privatization of public companies. But he said: "We cannot do this overnight." Menem categorically said: "Petty corruption will be eradicated" during his administration.

Menem added that he will ask the business sector to suggest the "name" of a leader from the business sector so that he can be appointed economy minister.

Menem appeared tonight in the "Tiempo Nuevo" television program. This is the same television program that Eduardo Angeloz, the defeated UCR [Radical Civic Union] presidential hopeful attended on 9 May to participate in a frustrated television debate with Menem.

President-elect Menem reasserted that he is not in favor of an early transition of the Presidency. He also reasserted that he favors the "strengthening" of the Armed Forces by "self-financing through defense export."

Menem also suggested that the Armed Forces should have "contingency plans" so that they may "cease to be merely contemplative."

Asked who will be appointed to the cabinet, Menem said that Ricardo Molinas, the national Prosecutor for Administrative Affairs "stays in the cabinet." He added that he will also summon Vice Admiral Carlos Castro Madero to head the National Commission for Atomic Energy (CNEA).

Menem said that he will summon Alberto Albamonte, the UDC [Democratic Centrist Union] leader; and Santiago de Estrada, member of the (Independent Federalist Confederation), to occupy some government post. He reasserted that Carlos Grosso will be the next Buenos Aires mayor.

Menem added that after 10 December "we will investigate all government deals" and that "petty corruption in government agencies" will be eradicated. [passage omitted]

Arosa Gives Navy Day Message, Praises Elections

PY1705203489 Buenos Aires TELAM in Spanish 1504 GMT 17 May 89

[Excerpts] Buenos Aires, 17 May (TELAM)—Argentine Navy Chief of Staff Ramon Arosa today praised the Argentine Navy for its "Republican spirit and its total support for the constitutional government." Arosa also praised the "Armed Forces true vocation in fulfilling their role in obeying the Constitution," because he said: "Without the Armed Forces victory in the unwanted war against subversion, this transition period, the transition period from one constitutional government to another, would have been impossible."

Arosa said: "Undoubtedly, this assertion of faith in democracy will heal old wounds. In view of this, all Argentines from all national sectors will make a joint effort to achieve a promising future because great acts lead to great destinies."

Arosa made this statement during his "Navy Day" address. The main "Navy Day" ceremonies were held at the heliport of the "Libertad" building, the Navy headquarters. Defense Minister Jose Horacio Jaunarena was present at the ceremonies.

Regarding the 14 May elections, Arosa said: "The elections held 3 days ago, on the anniversary of the battle of Montevideo, are more eloquent than words can express."

He added: "The Armed Forces have shown their true vocation in fulfilling their role in obeying the Constitution. They are proud of this civic celebration, which is as every election should be." [passage omitted]

Arosa urged the Argentine youth to learn more about the Navy's ethical and moral values, which state that "keeping the laws and upholding justice are essential for the continuance of institutions and that their only commitment is to loyally serve the fatherland."

After Admiral Ramon Arosa's speech, Captain Sergio Bazan was decorated with the "medal of honor for courage in combat" for his actions during the Malvinas War.

The anniversary of the Montevideo naval battle, which was waged on 17 May 1814, was commemorated with similar ceremonies that were held in naval units nationwide.

Armed Forces Auditor General Appointed

PY1605173289 Buenos Aires TELAM in Spanish 1536 GMT 17 May 89

[Excerpt] Buenos Aires 17 May, (TELAM)—The Executive Branch has appointed Brigadier General Anibal Damasco Vernengo as auditor general of the Armed Forces. This was reported today in Government House. [passage omitted]

Bolivia

Country's Reaction to Panamanian Situation

Foreign Minister View

PY1605125489 La Paz La Red Panamericana in Spanish 1130 GMT 17 May 89

[Text] Foreign Minister Valentin Abecia will attend the ministerial meeting that was called by the OAS to address the problem between the United States and Panama. Today the foreign ministers of the OAS member countries will begin to analyze the problem in the wake of the tense situation between the United States and Panama.

The Foreign Ministry has stated that Bolivia condemns the situation in Panama and the decision to annul the general elections that were held on 7 May.

Even though the Panamanian Embassy in Bolivia has charged that Bolivia adopted this position under pressure from the U.S. Embassy, Abecia stressed that the Bolivian Government has decided to join the group of nations that condemn the attitude of the Panamanian Government. This group is led by the United States.

I cannot anticipate what will happen at the meeting, the minister said before leaving for the OAS headquarters. Even though the document that expresses the Bolivian position toward a possible U.S. military intervention in Panama is ambiguous, Abecia told journalists that the sovereignty of nations should be respected and that no action leading to an intervention in Panama should be set in motion.

The OAS meeting will adopt a position in the wake of the U.S. decision to implement a military intervention in Panama and in view of the Panamanian decision to face this intervention with its available resources.

U.S. Embassy Demonstration

PY1705182889 La Paz Radio Fides in Spanish 1645 GMT 17 May 89

[Text] This morning, leaders from different Bolivian unions and popular fronts staged a rally in front of the U.S. Embassy building to protest a possible U.S. military intervention in Panama.

[Begin unidentified speaker recording] These are popular democratic and revolutionary sectors that have (?gathered) in front of the U.S. Embassy to protest against any intervention in the domestic affairs of the Panamanian people under the pretext of intervening in the Panamanian general elections.

In view of this, democratic and popular groups are now in front of the U.S. Embassy to uphold the self-determination of all countries, and particularly the sovereignty of Panama. [end recording]

Casto Riveros, a Bolivian Labor Confederation leader, has reported that rallies and marches will be held throughout Bolivia in view of the U.S. threat against the Panamanian democratic process. [passage indistinct]

Minister Explains Use of U.S. Military Planes

PY1805134589 La Paz La Red Panamericana in Spanish 1130 GMT 18 May 89

[Text] When I visited Santa Cruz de la Sierra I noted that the local press was considerably concerned about the presence of two sophisticated U.S. Air Force planes. This remark was made by the peasant affairs minister, Jose Justiniano, who said that there are insistent rumors that the planes have equipment and herbicides for spraying coca farms. I want to say that the law of special regulations for coca and controlled substances does not allow local or, obviously, foreign organizations or countries, to destroy coca farms with those methods, the minister stressed.

Concerning the U.S. planes, the minister said:

[Begin Justiniano recording] These planes will perform a sophisticated evaluation of coca farms in Bolivia, in order to provide the government with accurate information for the coca replacement programs [words indistinct]. I am not aware of any instructions for spraying the coca farms with herbicides, and I would like to reiterate that this is forbidden by law. [end recording]

Justiniano said that the planes will be flown by U.S. and Bolivian Air Force personnel.

MNR, ADN Candidates Leading Vote Count

PY1705141489 Buenos Aires DYN in Spanish 0026 GMT 17 May 89

[Text] La Paz, 16 May (AFP)—According to official reports on the counting of votes of the general elections held on 7 May, ADN [Nationalist Democratic Action] candidate Hugo Banzer has just 911 votes more than MNR [Nationalist Revolutionary Movement] candidate Gonzalo Sanchez de Lozada. There is now just 0.08 per cent separating these two candidates.

The official vote count, which is being implemented at the departmental electoral courts, is slowly advancing in the middle of a real "vote by vote battle" among the delegates of the more popular parties.

According to the electoral law, the departmental courts should end [words indistinct] annulment, some 20,000 votes were annulled, while a similar amount are "awaiting their legalization" all over the country.

The records corresponding to those votes will be reviewed in the last phase of the official count by the National Electoral Court, which should end its work before 27 May.

Considering the closeness of the two most voted candidates, the outcome will be known only at the end of the count. In addition, there are no final figures on the number of congressional seats for each party. Congress will finally be in charge of electing the new president because no candidate will be directly proclaimed because none of them has won the absolute majority requested by the Constitution.

Under these circumstances, the position of minority parties becomes important because their votes in Congress can be decisive.

Among the minority parties that will play a major role in the election of the president in congress are the Conscience of the Fatherland Party (Condepa), whose candidate Carlos Palenque—a television businessman—won the largest number of votes in La Paz Department, and the United Left (IU), whose candidate is lawyer Antonio Aranibar. It is estimated that each of these parties will have a dozen seats in Congress.

According to political analysts and observers, anything is now possible but the negotiations between candidates and parties will begin only after the final results of the official counting of votes are released.

According to the latest official report on the vote count, the following is a breakdown of the first 1,204,887 counted votes (approximately 75 percent of the total number of votes):

Hugo Banzer, ADN	257,126 votes	21.34 percent
Sanchez de Lozada, MNR	256,215 votes	21.26 percent
Paz Zamora, MIR [Movement of the Revolutionary Left]	235,332 votes	19.53 percent
Palenque, Condepa	156,623 votes	13.00 percent
Aranibar, IU	93,162 votes	7.73 percent

Only Sanchez de Lozada has thus far proclaimed himself as the "winner" of the elections.

Chile

Aylwin Caceres Discusses Constitutional Reform

PY1705034789 Santiago Domestic Service in Spanish 2300 GMT 16 May 89

[By Gema Contreras]

[Text] After talking for almost 2 hours with Interior Minister Carlos Caceres on possible constitutional reforms, Patricio Aylwin [president of the Christian Democratic Party; PDC; and spokesman of the Coalition of Parties for Democracy, CPPD] said there are more points of agreement than points of disagreement.

The PDC president and CPPD spokesman said that the main points of disagreement are related to the formation of Congress.

Aylwin described the meeting with the interior minister as very serious and very useful.

[Begin Aylwin recording] We had a very long talk with the minister. He and I have reiterated our willingness to reach an agreement. We have reviewed the various articles of the proposal presented by the government, mentioning the articles on which we agree and the ones on which we disagree, and discussing the disagreement. [end recording]

Aylwin reported that they carefully reviewed the most important issues, dealing with the National Security Council, the mechanism to refom the Constitution, and the formation of Congress.

[Begin Aylwin recording] We have made some progress on these points by seeking points of agreement.

There are differences. There is separation. We, he, and I have agreed to separately—he, of course, with the government, and I with the CPPD parties—review the different possible alternatives. [end recording]

Aylwin also reported that he will send a personal memorandum to the interior minister, containing the viewpoints of the opposition coalition on the issues reviewed today.

Aylwin was asked if, after this meeting, there are more points of agreement or more points of disagreement.

[Begin recording] [Aylwin] There are more points of agreement than points of disagreement. However, it is worrisome that among the points of disagreement there are some basic points.

[Reporter] You mean the issue concerning the mechanism to reform the Constitution?

[Aylwin] Specifically, the formation and membership of Congress. [end recording]

In conclusion, Aylwin said that many points of disagreement were overcome during this long meeting.

United Left Party Issues Communique in Santiago

PY1705163689 Santiago Domestic Service in Spanish 2300 GMT 16 May 89

[Text] The United Left [IU] today announced that sectors within the regime are trying to coax the opposition to support and legitimize reforms that will not change the antidemocratic nature of the current institutional system and will be used for its electoral platform.

In a communique released by IU acting President Anibal Palma, IU Vice President Camilo Escalona, IU Secretary General Jose Sanfuentes, and other IU leaders, the IU points out that, if a plebiscite is called, both the government's and the opposition's alternatives must be submitted for the peoples' consideration.

The communique, read by Camilo Escalona, adds:

[Begin Escalona recording] Mr Caceres has rejected this possibility, pointing out that the reforms that will be approved must first be supported by a consensus. This is a fallacious argument in the hands of a government that has abused its power against its opponents and that now, in isolation and weakness, devises this mechanism in order to hold the opposition responsible for not reaching an agreement. If this is the case, it will be nothing but an expression of the incompatibility between a democratic proposal and the drive to extend the authoritarianism that stems from the regime. [end recording]

The IU also points out:

[Begin Escalona recording] We do not accept and will never accept the stonewalling tactic devised by the regime's ideologists because this would be tantamount to accepting a straitjacket that shackles the transition's path to the [word indistinct] goals of an institutional system.

If the opposition makes new and effective democratic advances, it will be nothing but the initial steps toward the reconstruction of a democratic system of which Chile was proud.

Efforts are being made to ridicule this IU position, accusing the IU of being intransigent.

We emphasize that the IU does not ridicule the talks with the government's spokesmen but clearly and firmly states that their proposal omits from the agenda important issues such as the National Security Council, the immovable position of the commanders in chief, and the intention to simply make cosmetic changes in other constitutional knotty points that the opposition, supported by the vast majority of Chileans, demands be reformed. [end recording]

The IU leaders said they did not fall in the trap of confusing the stability of the future democratic regime with the stability of the 1980 Constitution, stating that the nature and freedom-restricting character of the 1980 Constitution are factors of inevitable change in the democratic stability that the country needs to rearrange social coexistance.

Proposal To Safeguard Antarctica Accepted

PY1805032489 Santiago Domestic Service in Spanish 2300 GMT 17 May 89

[Text] Fernando Zegres, head of the Chilean delegation to the Antarctic Treaty Meetings, said the Paris meeting is very important in the treaty's history.

A Chilean initiative designed to protect the Antarctic environment and the related ecological systems was unanimously approved during the aforementioned meeting.

Zegers said that the Chilean proposal is to draw up a package of compulsory measures to safeguard the Antarctic environment.

The Chilean representative noted that Foreign Minister Hernan Felipe Errazuriz made the proposal during the Paris meeting. Errazuriz disclosed the proposal in a previous meeting in Tokyo.

Zegers said that there is a juridical, diplomatic, and political need to adopt urgent measures to safeguard the ecological systems. He added that a package of measures are necessary to adjust to the new circumstances, to the worldwide agreement, awareness, and concern over the thinning of the ozone layer and some accidents that have taken place in Antarctica.

Industry and Commerce Director Ebner Resigns

PY1705185889 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 17 May 89

[Text] Industry and Commerce Director Mario Ebner has resigned to his post after 12 years of service. He said he has resigned for personal reasons and to work on other tasks, which he did not specify.

He expressed satisfaction for the work he has done, especially in the field of educating and guiding consumers. He said that the Chilean law to protect consumers is the most modern in Latin America.

Replacement Named

PY1805032889 Santiago Domestic Service in Spanish 2300 GMT 17 May 89

[Summary] Mario Ebner, director of the Industry and Trade Directorate [DIRINCO], confirmed his voluntary resignation of the post after 12 years. Ebner said that his replacement, General Luis Prousing, retired, is very capable.

National Vanguard Party President Elected

PY1805032689 Santiago Radio Cooperativa Network in Spanish 2300 GMT 17 May 89

[Text] The central directorate of the National Vanguard, a right-wing party, has elected Alvaro Corvalan Castilla as the new party president. He replaces Sergio Miranda Carrington. The decision was made this afternoon during a special National Vanguard directorate meeting.

Miranda Carrington resigned as party president for personal reasons. His resignation was accepted by the party's central directorate.

The meeting lasted 1 and ½ hours and concluded with the election of Alvaro Corvalan Castilla as party president. The party supports the Pinochet government.

Colombia

President, Foreign Minister on Panama

PA1705125289 Bogota Emisoras Caracol Network in Spanish 1217 GMT 17 May 89

[Text] Bogota—Colombia has explained, through President Virgilio Barco Vargas, that it will not promote any common Latin American front for Panama to be excluded from the OAS. The president said that in accordance with its democratic and civic tradition, Colombia will not interfere in the decisions of other governments.

Foreign Minister Julio Londono Paredes said that at the OAS, Colombia will call for a solution to the Panamanian conflict but with respect and with free self-determination. He reiterated that Colombia emphatically rejects actions against the free expression of the Panamanian people, and he added that the will expressed at the ballot boxes must be respected.

Londono Paredes said that Colombia will insist on the fulfillment of international agreements, especially the Torrijos-Carter treaties. He stressed that Latin America must be the guarantor of those agreements.

In a few minutes, the Colombian Embassy in Washington will be the site of two prior meetings of Latin American foreign ministers. At those meetings, Colombia will seek a conciliating position on Panama among the Latin American nations. There will be a preliminary meeting of the Group of Eight foreign ministers and immediately afterwards there will be a meeting of [words indistinct] of Latin America.

Editorial Calls for Stronger Stand on Panama

PA1705152289 Bogota EL TIEMPO in Spanish 12 May 89 p 4-A

[Editorial: "Timid Colombia"]

[Text] The extraordinary photograph published on the front-page of yesterday's issue is the most valid argument against the current situation in Panama. The annulment of the Panamanian elections confirmed the cruel reality in which a veteran opposition politician was brutally beaten by members of the so-called—misnamed—dignity groups created by Noriega to fight invading U.S. troops. The victim was attacked before impassive, and perhaps supportive, policemen. This timely photograph has traveled around the world and will diminish the credibility of dictator Noriega in the eyes of his friends, if he still has any.

The Panamanian and worldwide reaction has been strong, but insufficient. The problem must be resolved by Panamanians. For the moment, nobody has considered intervention, not even the United States. That has been condemned. Official U.S. spokesmen have limited themselves to stating their opinions. That is not condemnable. Perhaps a small number of Panamanians want intervention. They are suffering, and when suffering exhausts a patient, he is ready to accept any remedy.

The Group of Eight has acted weakly and—why deny it—timidly. The Group of Eight's statement did not clearly repudiate Noriega's monstrous position. In fact, at times it seemed to make excuses for him. Its most forceful stand was to condemn any foreign intervention, when the important thing was to place Noriega and his shameful regime against the wall. The Group of Eight appears to be divided. The positions of the Peruvian and Venezuelan presidents were hard and fair. Mexico and Colombia took another approach. It was extremely important for President Barco to come out as the leading spokesman for Colombia and democracy, with the vigor demanded by the problem. We cannot deny that. The foreign minister's statements were a sea of nonsense. Why?

We spoke of Colombia's opportunity, which appears to be slipping away. We are linked to Panama by blood, political, and territorial ties. That makes us one of the countries able to influence what happens in that country. Thus, we should be, above the Group of Eight, the nation to mediate Panama's destiny and the future of democracy.

What Noriega will do now is hard to predict. Cornered by arrogance, he may reach the utmost extremes, although the world has withdrawn its sympathy for him. Only Cuba and Nicaragua support him. There is logic in this. There is none in Colombia's timid stance.

Five Killed, Six Wounded in Guerrilla Ambushes

PA1705131889 Bogota EL TIEMPO in Spanish 11 May 89 p 9-B

[Excerpt] Two soldiers and three civilians were killed and six people were wounded as a result of guerrilla actions in various parts of the country.

A military patrol was ambushed in Meta Department and a house was attacked in Cauca Department. In Meta Department, FARC [Revolutionary Armed Forces of Colombia] guerrillas killed two soldiers and wounded two others. Meanwhile, ELN [National Liberation Army] rebels killed three peasants and wounded four in a rural area of Cauca Department.

According to a military source, the two soldiers killed in Meta Department were tortured and then murdered.

Soldiers of the 7th Brigade were patrolling the area near San Martin, south of Meta, as part of a control and surveillance operation when an undetermined number of rebels ambushed them with machinegun fire.

The official report says that the two soldiers who were killed were taken hostage by the rebels, who shot them to death after stripping and torturing them, leaving their bodies in a mountainous area where they were later found.

The dead soldiers were identified as Ezequiel Vargas Camacho and Armando Quinonez Mora. The wounded soldiers were Second Sergeant Damian Riveros Gomezs and an unidentified soldier. They were rescued from the site of the ambush and taken to a health center in San Martin.

General Harold Bedoya Pizarro, commander of the 7th Brigade, traveled to San Martin to coordinate antiguerrilla actions. Helicopter gunships are combing the region. The soldiers belonged to the Joaquin Paris Battalion and their attackers were identified as members of the FARC's 31st Front. [passage omitted]

Ecuador

Government To Continue Foreign Debt Payments

PA1805004089 Paris AFP in Spanish 2154 GMT 17 May 89

[Text] Quito, 17 May (AFP)—Influenced by the retention of $81 million it had deposited in New York's Citibank, Ecuador has agreed to resume partial payment on the foreign debt interest payments it owes creditor banks. Ecuador had suspended payments in February 1987.

A declaration to this effect was signed last Friday in New York by members of an Ecuadorean negotiating delegation formed by Monetary Board Chairman Abelardo

Pachano, Central Bank Manager Jose Morillo, and Public Credit Assistant Secretary Edison Ortiz, who represented Finance and Credit Minister Jorge Gallardo at the meeting. The declaration was made public here today.

The aforementioned Ecuadoran officials made an emergency trip to New York on Friday, following the Citibank's withholding of funds. Citibank had argued that it was collecting on a $90-million commercial loan that will be due at the end of June.

A document issued by William Camposano, chairman of the Managing Committee [Comite de Gestion], states that the creditor banks are satisfied with the progress made by Ecuador during its talks with the IMF, the World Bank, and the Inter-American Development Bank [IDB]. The two documents were made public here today by the local media.

Ecuador, which owes $6 billion to commercial banks, has confirmed its "willingness to continue talks with the Managing Committee in order to deal with the debt owed to Citibank and to resume as soon as possible partial payments on the interest on the debt."

The Ecuadorean officials reported that they have met with the Managing Committee to continue renegotiating the foreign debt. They expressed their concern over the retention of almost $81 million and over the economic affects that this unilateral action could have. They also stated their intention to directly resolve the matter with the bank.

The Ecuadoran officials also said that the IMF, World Bank, and IDB officials were present at their meeting with representatives of creditor banks. Camposano's document notes: "We are encouraged by the progress Ecuador has made in its dialogue with" the IMF, the World Bank, and the IDB. The document adds: "We are satisfied with Ecuador's intention to proceed rapidly to resume interest payments and to resume negotiations with the Managing Committee on the foreign debt."

Ecuador informed the Managing Committee that it is going to negotiate directly with the Citibank on the issue concerning the $81-million in withheld funds in order "to try to reach an agreement." Camposano said that "the Managing Committee has told the Ecuadoran representatives that it is ready to participate in debt negotiations in order to reach a mutually acceptable agreement on handling the foreign debt."

Peru

Garcia Invites President-Elect Menem To Visit

PY1705220489 Lima Television Peruana in Spanish 1800 GMT 17 May 89

[Text] Herewith a report datelined Buenos Aires:

Argentine President-elect Carlos Menem, a Peronist, had to interrupt a news conference with several hundreds of foreign correspondents after receiving a telephone call from Peruvian President Alan Garcia.

At the end of the conversation, Menem said that he had invited President Garcia to attend his inauguration as Argentine president on 10 December, and that the Peruvian president responded with an invitation to visit Peru.

New Economy Minister Holds News Conference

PY1705173089 Lima Television Peruana in Spanish 0100 GMT 17 May 89

[News conference by Economy and Finance Minister Cesar Vasquez Bazan to unidentified reporters; place and date not given—recorded]

[Text] [Vasquez] We must curb the inflation. I do not mean to repress it but to correct it, and simultaneously we must reactivate the economy in a selective manner. We will only be successful if the private sector cooperates.

Regarding this subject I would like to refer to my own sources. Those of you who know my work will recall my first publication which was about the national economic congress. What is this national economic congress? Is it something against the private sector? Is it something against workers? Not at all.

The economic congress is an institution of dialogue and understanding, given that our main attribute as human beings is that we can talk and we can understand each other. I think that reactivation must come from an agreement with the private sector. This means that we must reactivate the needs of the country. We are still defining this aspect but I want to tell you that we are seriously speaking of an agreement.

The state, and indeed every sector, must make sacrifices. For example, the public sector will have to promise to support the reactivation and the private sector must promise to increase production and employment, and to generate hard currency. I think that the Peruvian situation demands this.

As for the IMF and foreign credits, I want to tell you the following: We are members of these institutions, therefore we must continue talking and seeking understandings. I take this opportunity not to demand—because I do not think this is the way of doing things—but to ask the international financing system for their comprehension.

[Reporter] What about radical and quick measures?

[Vasquez] There will be no across-the-board shock economic measures. We will now have economic plans and, forgive me, but I will not announce measures every other day because it would mean inconsistency. We must first study well the situation of this ministry.

However, I can tell you that the working and business sectors, and the country in general, must know that we will not implement shock measures.

[Reporter] Regarding the national reserves, it has been said in political circles that they could be spent on an electoral program. I would like to know our exact current total net international reserves, and how will they be invested in the next 14 months of this administration?

[Vasquez] Well, I would like to tell you that although the national reserves are administered by the national banking system, they belong to the whole nation. I know that for a long time it has been said that the APRA [American Popular Revolutionary Alliance] party will use the reserves for electoral purposes. I want to tell you that there is no truth in this.

Second [as heard], if we begin a reactivation process we will evidently have to use different kinds of resources, not only our reserves. We have yet not defined this, but I can tell you that any decision on the use of the reserves will be made after an agreement with the private sector and with the economic agents.

[Reporter] As for the amount of reserves?

[Vasquez] Well, as for the amount of reserves, I would like to.... [changes thought] We have that information. However, we are handling different criteria, some deal with net reserves or with liquid assets. I think that the president of the Republic has already reported on the liquid assets of the Central Bank which amount to approximately $870 million.

However, given this first contact with you, I want you to know that used rationally and intelligently to reactivate the economy and to control the inflation. Those are the main guidelines.

[Reporter] Are the reserves enough for a lasting reactivation?

[Vasquez] Well, your question is interesting because it allows me to tell you that exports are a healthy way to earn hard currency. I mean traditional and nontraditional exports, so if you take this into consideration, the policy of reactivation will also support exports in general.

In other words, we have never said that earning hard currency should not be promoted. The healthy way to bring hard currency into the country is by exporting.

If you read an article I wrote in 1984 called "The 100 Days," which is currently being criticized, you will see that I assert that one of the first measures we should adopt is to promote traditional and nontraditional exports. This means we must reach an agreement with exporters.

[Reporter] [Question indistinct]

[Vazquez] I must ask everyone in general for a truce. I have only been on this post 24 hours, and now you are asking me that. I know nothing of that, however, we evidently need a truce. I am formally asking for that now. It is like before an election, one needs a couple of days of calm to reflect and to meditate. That is what I am asking for now. I think that, as we are here working for the benefit of the country, we should not adopt inadequate measures that are not in keeping with an overall economic plan.

[Reporter] Minister, you have promised not to launch a new economic package, and this has calmed the people. What would you tell them?

[Vasquez] I ask the people and the businessmen to reduce their expectations, otherwise I will not be able to guarantee the success of my work. Rumors do not contribute to our work. I ask for moderation and you must understand that we cannot, and we do not, intend to launch a new program like the many which made us suffer in the past. In a few days we will finish our studies.

Shining Path Guerrillas Kill 4 in Ayacucho

PY1705040289 Madrid EFE in Spanish 0115 GMT 17 May 89

[Text] Ayacucho, 16 May (EFE)—Peruvian military sources reported today that two regional leaders of the ruling American Popular Revolutionary Alliance [APRA] party and two peasants were killed by presumed Maoist guerrillas.

The killings took place in different localities in this province on the eve of the "Shining Path's" 9th anniversary armed struggle.

The sources said that last night a group of Shining Path guerrillas attacked Azangaro, a village 100 km south of Ayacucho, and shot to death Ricardo Morales, leader of the local "peasant defense patrols" and the local APRA branch, and 18-year-old Jorge Estrada.

The sources said that last Sunday night another group of terrorists attacked Orcasita, a peasant collective farm 40 km from Ayacucho, and killed Aurelio Quispe, 45, the town's governor and APRA leader, and Teresa Lopez, a peasant.

The military sources noted that as of 3 days ago the guerrillas have been passing out pamphlets marking their 9 years or armed struggle. The leaflets also call on the people of Ayacucho to support the movement.

The "Shining Path" began its struggle in Ayacucho on 17 May 1980 since then has caused the death of more than 15,000 people and the loss of more than $13 billion, according to Luis Alberto Sanchez, prime minister and vice president of the nation.

Narcoterrorists Slay 9 Policemen in Jungle Region

PY1705135089 Madrid EFE in Spanish 0530 GMT 16 May 89

[Text] Lima, 16 May (EFE)—The National Police have reported that a total of nine policemen died today, and another one is missing, following attacks by armed groups of terrorists and drug traffikers in two areas of the Peruvian jungle region.

The report, which was disseminated by the state press agency ANDINA, indicates that another three policemen, including two officers, were seriously wounded. There are also two officers among the dead.

One ambush occurred this afternoon in the region of Tananta Palo Blanco, located in the northeastern department of San Martin, where six policemen died and three were wounded. The other ambush occurred in Puente Tulumayo, in the jungle region of the Huanuco Department, where three policemen died and one is missing.

According to the official source, the following policemen died at Tananta: Lieutenant Carlos Lenon; Sargents Alfredo Oliva, Jose Diaz, and Angel Zuloaga; Corporal Arnaido Molero; and Armourer Juan Sanchez. The following persons died at Puente Tulumayo: Major Eduardo Hurtado and Corporals Edgard Rodriguez and Walter Nunez.

The patrols were attaked by a group of narcoterrorists, allegedly made up of members of the Shining Path group and drug traffickers. The patrols belonged to the Special Operations Directorate of the National Police.

The places where the ambushes took place are located in a region that police have denominated a "red alert zone," due to the intensive activities that are carried out by terrorists and drug traffickers who are carrying out coordinated actions.

In Uchiza, San Martin Department, near Tananta Palo Blanco, narcoterrorists attacked the police station. In this attack 10 policemen and 3 civilians died on 27 March 1989.

Further on Policemen's Deaths

PY1805020589 Buenos Aires TELAM in Spanish 2147 GMT 17 May 89

[Excerpt] Lima, 17 May (TELAM-ANSA)—At least 73 people, among them 9 policemen, have been killed in the last few hours during the bloodiest and most violent terrorist attacks that have taken place in Peru in recent times. These terrorists attacks occurred on the day in which the pro-Maoist Shining Path terrorist organization marked the 9th anniversary of its terrorist activities.

According to reports received in Lima today, columns of Shining Path terrorists ambushed and killed 50 peasants who were navigating the Apurimac River, in an isolated Andean area of the Echarate District, La Convencion Province, Cusco Department, some 1,250 km southeast of Lima. This is an area considered to be "very dangerous." Peasants have created a self-defense committee known as Peasant Defense Patrols with the support of military forces in order to resist terrorist attacks and fight common criminals.

Most of those who were killed by the terrorists were members of the Peasant Defense Patrols, who were armed only with clubs, slings, and other such weapons. The terrorists killed the peasants with automatic weapons and explosives as they tried to cross the river.

It has been reported from the troubled jungle region of Alto Huallaga that two police patrols were ambushed. During the ambush that took place near the Tulumayo Bridge in Tingo Maria, Mayor Eduardo Hurtado and two noncommissioned officers were killed while another member of the patrol disappeared. He was apparently kidnapped by the terrorists. Terrorists from the Shining Path organization, the pro-Guevara Tupac Amaru Revolutionary Movement as well as drug traffickers from several countries carry out activities in Alto Huallaga. [passage omitted]

Uruguay

Sanguinetti Explains Position Regarding Panama

PY1805034889 Montevideo Radio Carve Network in Spanish 0000 GMT 18 May 89

[Statement by President Julio Sanguinetti "to clarify his statements on the Panamanian situation;" date, place not given—read by announcer]

[Text] 1. The principle of nonintervention guarantees the peoples' sovereignty and the right to self-determination. This principle, naturally, has its limitations. For example, from the human rights aspect this principle is internationally regarded as a universal value. This is why a few days ago Uruguay informed the UN Human Rights Commission about the situation of human rights in our country [passage indistinct].

One cannot ignore the irregularities that plagued the Panamanian elections. Irregularities that were recognized by the Panamanian Government itself which prompted it to declare the elections void.

3. [as heard] And because the principle of nonintervention has the aforementioned limitations, we have taken the liberty to give our opinion on the respect for the peoples' right to self-determination and freedom of elections in Panama. Otherwise we would have not done so because it would mean interfering in their domestic affairs.

We want to make it quite clear that, by no means, will we support an armed intervention or the unilateral use of force in Panama or any other part of the world. We are against this and the lack of free elections. We repudiate

interventions as well as the lack of electoral guarantees. We will continue with this policy, one that is quite clear and that we have unwaveringly maintained for the past 4 years.

Papers Say Menem Wants Integration Strengthened
PY1705135889 Montevideo Radio Carve in Spanish 0930 GMT 17 May 89

[Text] Today in Montevideo the newspapers HOY and EL DIA report that Argentine president-elect Carlos Saul Menem has said that he will come to Uruguay before 10 December to meet with President Julio Maria Sanguinetti and all the Uruguayan political forces. He will seek to strengthen the integration process between Argentina and Uruguay. Within this framework, Menem said he will also visit Brazil, Paraguay, and other Latin American countries. Integration is one of the main subjects proposed by the Argentine Justicialist Party, which won the elections.

Menem added that the Argentine Congress is studying a draft fishing bill which he will personally promote as soon as possible so that Uruguay and other Latin American countries may reach a fishing agreement with Argentina. This could solve the conflict between Uruguay and Argentina over hake fishing. Uruguayan ships will then be able to fish in Argentine waters.

As for integration, Menem said that the last time he visited Uruguay he discussed the subject with President Sanguinetti and other Uruguayan politicians. Menem said he did not mean to limit integration to the Group of Three formed by Argentina, Brazil, and Uruguay, but that he wished to expand this integration to other countries by strengthening relations with the Group of Eight.

Economic Indicators Report Increase in Inflation
PY1705220189 Montevideo EL DIA in Spanish 6 May 89 p 4

[Summary] According to the General Directorate of Statistics and Census, the consumer price index increased by 5.25 percent in April thus reaching an accumulated increase of 24.66 percent during the past 4 months. It was also disclosed that the inflation rate during the past 12 months amounted to 78.12 percent.

Venezuela

Perez on Postponing Nonaligned Movement Request
PA1705172089 Caracas Venezolana de Television Canal 8 in Spanish 1610 GMT 17 May 89

[Text] Venezuelan President Carlos Andres Perez has denied that Panama vetoed Venezuela's admission into the Nonaligned Movement.

[Begin Perez recording] When we learned that there were, unfortunately, plans to turn the Harare meeting into a dispute, I proceeded to send a message to the president of Zimbabwe telling him that Venezuela had decided to postpone its request to join the Nonaligned Movement because we believe the important work that must be accomplished by this organization did not give it time to discuss unpleasant situations such as the one they [not further identified] tried to create. [end recording]

Strike Reportedly Paralyzes Country
PA1805161089 Paris AFP in Spanish 1402 GMT 18 May 89

[Text] Caracas, 18 May (AFP)—Caracas and the other main Venezuelan cities are completely paralyzed today as a result of the 12-hour general stoppage called by the country's labor unions to protest the "neoliberal" economic plan of Venezuelan Social Democratic President Carlos Andres Perez.

Industries and stores kept their doors closed 3 hours following the start of the stoppage at 1000, and no public city buses were running. Two stores that tried to open in the eastern end of Caracas were quickly closed by its owners, who were "dissuaded" by workers' pickets.

The large oil, petrochemical, iron and steel, and aluminum industries, which are in the hands of the state, are also paralyzed except for those that operate industrial furnaces and other equipment that could be damaged if halted.

In the state-owned iron and salt industries, both located in the eastern part of the country, workers and managers were discussing the possibility of joining the stoppage this morning, although employers threatened workers with dismissals if they joined.

Hospitals and some drugstores were opened. Similarly, the water, electricity, and telephone companies were being operated by the minimum number of workers necessary for those operations. Radio and television stations are also operating, but they are carrying special programming.

Policemen were seen patrolling the empty Caracas streets while Army soldiers guarded all key industries along the main avenues of Caracas.

In a message transmitted this morning, Perez said he ordered the Armed Forces and the police to "redouble their surveillance and patrols to guarantee the free exercise of the right to work."

Yesterday, the government advocated respect for the right to work and offered to open public offices after several businesses required their workers to come to work today.

Both the business and government calls came too late, because according to what the AFP reporters observed today, public offices and stores were either closed or deserted.The success of the labor call was evident. People stayed home. Juan Jose Delpino, president of the Confederation of Venezuelan Workers (CTV), said his purpose was that "not one leaf moves in the country" today.

The CTV, which quickly received the support of the other country's labor unions and associations, called the stoppage to protest the economic plan agreed to by Perez' government with the IMF.

The plan intends to place the economy on a competitive basis, which will guarantee a new flow of money from abroad, support foreign debt renegotiation, and increase private sector activity.

In the short term, however, the plan has brought a recession to some sectors and an unprecedented increase in inflation in the country.

The CTV also called for a stoppage to protest "against profiteers and hoarders."